BVCI Client Agreement

Effective Date: these are the terms and conditions applicable as of July 27, 2020.

This Agreement applies to the relationship between clients of Blockchain Venture Capital Inc., a Canadian entity having its address at 130 King Street West, Suite 1800, Toronto, Ontario M5X 1E3, who sign up for a CADT Account.

In this Agreement, “BVCI”, “we”, “us” or “our” means Blockchain Venture Capital Inc.

This legal relationship between BVCI and the Client relates to the issuance, usage and redemption of the CADT, the client’s use of BVCI Services, the custody and management of the Canadian funds the client provides in exchange for the CADT, and anti-money laundering, reporting and ongoing monitoring of the clients’ activity. BVCI has outsourced certain services that it has agreed to provide to You hereunder. As between BVCI and the client, BVCI is solely responsible for the performance of these outsourced services.

1. Interpretation.

In this Agreement, unless otherwise expressly stated or the context requires otherwise, the following terms shall have the meanings set out below:

(a) “Agreement” means these terms and conditions, any account-opening documentation (including an electronic registration form you complete when registering for a CADT Account) and any other documents, terms and conditions, or policies which are expressly stated by BVCI to form part of this Agreement, all as may be amended, varied or supplemented from time to time;

(b) “Applicable Laws” means any and all applicable laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws; judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Authority; and policies, guidelines, notices and protocols of any Governmental Authority, to the extent that they have the force of law or which, if not actually having the force of law, are considered by such Governmental Authority as requiring compliance as if having the force of law.

(c) “BVC Chain” means the decentralized blockchain which supports the BVCI Services;

(d) “BvcPay” means the mobile application developed by BVCI which functions as the user interface for accessing your CADT Account (including your CADT wallet) and BVCI Services;

(e) “BVCI Services” means the secure and convenient way to establish a CADT Account for purposes of (i) tokenizing (or “minting”) Canadian Currency for CADT from BVCI via BvcPay and the transferring of Client Money to the Custodian for holding in the Custodial Account; (ii) surrendering CADT for the corresponding Canadian Currency from BVCI, through the Custodian and BvcPay (iii) sending and receiving CADT to and/or from CADT Accounts via BvcPay; all subject to the terms and conditions of this Agreement, and provided that any such services can be discontinued at any time in accordance with this Agreement.

(f) “BVCI Website” means the public and private website accessible at www.bvcadt.com, as amended from time to time;

(g) “CADT Account” means a Client’s registered account with BVCI for BVCI Services, and it includes the associated CADT wallet and the electronic record on the BVC Chain in respect of the amount of CADT that you hold in that wallet.

(h) “CADT Payment” means the transfer of CADT from one Client, on their instruction, to another Client that is recorded on the BVC Chain as a deduction of the corresponding amount of the applicable CADT from the transferor’s CADT Account holding and the addition of the same to the transferee’s CADT Account holding, and it includes a transfer of the beneficial ownership of the Client Money corresponding to the CADT so transferred;

(i) “Canadian Currency” means the national currency of Canada;

(j) “Client” means a person who has registered and has been accepted by us for a CADT Account, including satisfactorily completing the applicable verification requirements in accordance with this Agreement.

(k) “Client Money” means, where available, all or any Canadian Currency held by BVCI in the Custodial Account with the Custodian, as appointed by BVCI in its capacity as trustee on your behalf pursuant to this Agreement. All Client Money is held in the Custodial Account with the Custodian by BVCI, for and on behalf of Clients pursuant to the terms and conditions of this Agreement and not for BVCI’s own account. You bear any risk related to the Custodian.

(l) “CADT Payment” means the transfer of CADT in accordance with paragraph 6 of this Agreement from one Client, on their instruction, to another Client or BVCI that is recorded by deducting the corresponding amount of CADT from the transferor’s CADT Account and adding the same to the transferee’s CADT Account;

(m) “Custodian” means any Canadian Schedule I bank, as prescribed by the Bank Act (Canada) from time to time, or any Canadian federal trust company incorporated and existing under the laws of Canada, and it includes any permitted successor(s) or assignee(s) of any such Custodian;

(n) “Custodial Account” means any account held with a Custodian in which Client Money is held with the Custodian by BVCI, as trustee, pursuant to a Custodial Agreement.

(o) “Custodial Agreement” means the agreement between the Custodian and BVCI pursuant to which BVCI has appointed a Custodian to hold Client Money and provide related services in respect thereof, all as more particularly described therein;

(p) “Email Address” means the email address that you provide to us at the time that you apply for a BVCI CADT Account in accordance with paragraph 4;

(q) “Force Majeure” means any circumstance, act, or event beyond our reasonable control, including (but not limited to) any: (i) lock outs, strikes or other industrial disputes (in each case, whether or not relating to our workforce and whether or not beyond our reasonable control); (ii) changes to applicable laws, acts, or regulations of any governmental or supranational bodies or authorities; (iii) breakdown, failure, malfunction, or hacking of telecommunications or computer services or systems (including the internet) including, without limitation, any third party services or systems or acts of hackers; (iv) unusual volatility in the market, hacking, Denial of Service (DoS) attack, deliberate market distortion or manipulation, and disruptions to trading or the trading price; (v) act of God, fire, act of government or state, terrorist act, war, civil commotion, insurrection or embargo, earthquake, nuclear incident, pandemic, floods, volcanic action; (vi) inability to communicate with brokers or market makers for whatever reason or late or mistaken delivery or payment by any bank or counterparty; (vii) prevention from or hindrance in obtaining any energy or other supplies; and (viii) any other reason (whether or not similar in kind to any circumstance, act or event described in (i) to (viii) above);

(r) “Governmental Authority” means (i) any international, multinational, national, federal, provincial, state, county, municipal, local or other governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, board, bureau, agency, commissioner, tribunal or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any stock exchange; and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

(s) “Privacy Policy” means BVCI’s privacy policy (as amended from time to time) available on the BVCI Website, as amaended, varied or supplemented from time to time, which policy forms part of this Agreement;

(t) “Released Parties” means BVCI, each Custodian and all other services providers to any of them, and, as applicable, their respective affiliates, subsidiaries, divisions, suppliers and service providers, and all of their respective directors, officers, employees and agents, and “Released Party” means any one of them.

(u) “Restricted Territories” means all territories other than Canada;

(v) “Restricted Persons” means any person that is not a resident of Canada, and any person that is listed pursuant to the Special Economic Measures Act (Canada) or the Justice for Victims of Corrupt Foreign Officials Act (Canada) (or any person acting on behalf of any such listed person).

(w) “You” and “your” means the person who is our Client.

2. Client Agreement; Key Terms

(a) The relationship between BVCI and the Client shall be defined and governed by this Agreement. You agree and understand that by registering a CADT Account and using any BVCI Services in any capacity, you will act in compliance with and be legally bound by this Agreement and all applicable laws and regulations. For the avoidance of doubt, continued use of your CADT Account and BVCI’s obligations to you under this Agreement are conditional on your continued compliance at all times with this Agreement and all Applicable Laws.

(b) BVCI will not be required to provide any service to the Client under this Agreement unless BVCI has accepted the Client by opening a CADT Account for the Client. The Client agrees to be bound by this Agreement from the time of application for a CADT Account by making the application for such account.

c) By applying for a CADT Account, and by any subsequent access to a CADT Account or use of BVCI Services, you understand and agree:

(i) that this Agreement, including the associated policies referenced herein as forming part of this Agreement, will document the contractual relationship between you and us;

(ii) to be bound by the provisions of this Agreement, including the associated policies referenced herein as forming part of this Agreement, and that your use of CADT and BVCI Services is subject to this Agreement, and BVCI’s obligations under this Agreement are conditional on you complying with its provisions;

(iii) to comply with all Applicable Laws, including, without limitation, all relevant laws of any territory of which you are a citizen, national, or subject, and of any territory in which you are resident from time to time, and of any other territory from which you access the BVCI Website or use BvcPay, and the laws of Canada;

(iv) that your CADT Account is not a deposit with us and that your BVCI account is not a bank account, that the amount in your CADT Account does not constitute evidence of indebtedness or liability by us to you, except to comply with instructions from you in relation to transactions initiated by you as provided for in this Agreement;

(v) that there is no interest payable to you on any Client Money or amount in your CADT Account; and that no Client Money and no other amount in your CADT Account is insured by the Canada Deposit Insurance Corporation or any other deposit insurer;

(vi) that the BVCI site and the offering of CADT Accounts do not constitute a trading of, or an exchange in, securities, investment contracts or any document, instrument or writing commonly known as a "security", at law or otherwise;

(vii) that our products and services are not financial instruments;

(viii) that any violation of this Agreement by you may result in potential consequences, including the possible loss or forfeiture of CADT and or the Client Money corresponding to that CADT;

(ix) that you may only obtain CADT with and you may only surrender CADT for Canadian Currency through BvcPay, and not independently with the Custodian;

(x) that BVCI, as trustee, has appointed a Custodian to hold your Client Money in the Custodial Account, which account is subject to a Custodial Agreement between BVCI and the Custodian, and neither the Custodial Agreement nor the Custodial Account creates or represent any relationship between you and the Custodian;

xi) Your rights in the Canadian dollars held in a Custodial Account are limited to the amount of Client Money held by BVCI in that Custodial Account that corresponds to the CADT held in your CADT Accounts, subject to the terms and conditions of this Agreement;

(xii) BVCI does not guarantee that there will be no counterparty risk for Canadian Currency held within the CADT Account as Canadian Currency is held within the Canadian banking system; and

(xiii) BVCI’s obligations to you and or with respect to your Client Money or Client Account is subject to the terms and conditions of this Agreement. In connection with any activity that BVCI may undertake or have undertaken in furtherance of this Agreement or any of the BVCI Services that BVCI has or may provide, BVCI is acting pursuant to the contractual relationship created solely by this Agreement, and in no event do you or BVCI intend that (i) BVCI, or any Custodian or agent of BVCI, act or be responsible as a fiduciary to you or any other person; (ii) or that such relationship create, by implication or otherwise, any fiduciary duty on the part of BVCI, or any Custodian or agent of BVCI, and no such duty will be deemed to have arisen in connection with any such activity.

3. Eligibility Requirements

(a) By applying for a CADT Account, and by any subsequent access to a CADT Account or use of BVCI Services, you represent and warrant that:

(i) If you are an individual, you are at least 18 years of age and you have not previously had a CADT Account that was suspended or removed from BVCI Services;

(ii) If you are applying on behalf of a legal entity, you represent and warrant that (i) such legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization; (ii) you are duly authorized by such legal entity to act on its behalf, and (iii) such organization (and any affiliate entity) must not have been previously suspended or removed from BVCI Services;

(iii) You are not a Restricted Person, nor are you resident of a Restricted Territory;

(iv) You will not be using any BVCI Services for any illegal activity, including, but not limited to, illegal drug activity, illegal gambling, money laundering, fraud, blackmail, extortion, ransoming data, terrorism financing, other violent activities or any prohibited market practices, including, but not limited to, the Restricted Activities; and

(v) You understand that there are additional representations and warranties made by you in this Agreement, and that any misrepresentation by you is a violation of this Agreement.

4. Registering a CADT Account

(a) When registering your CADT Account, you must provide, and you agree to provide, current, complete, and accurate information for all required elements on the registration page(s), including your full legal name. You also agree to provide us, when registering a CADT Account and on an ongoing basis, any additional information we request from time to time for the purposes of identity verification, verification of the source of funds, the detection of money laundering, terrorist financing, fraud, other financial crimes, or complying with any Applicable Laws. Such information includes, without limitation, a copy of your government issued photo ID and any evidence of residency as we may require. You permit us to keep a record of such information and authorize us to make the inquiries, whether directly or through third parties, that we consider necessary to verify your identity or protect you and/or us against fraud or other financial crime, and to take any action we reasonably deem necessary based on the results of such inquiries. When we carry out these inquiries, you understand, acknowledge and agree that your personal information may be disclosed to, among others, credit reference and fraud prevention or financial crime agencies and that these agencies may respond to our inquiries in full. You further acknowledge that you have read and understand our Privacy Policy and that the terms of that policy are deemed to form part of this Agreement, as amended, varied or supplemented from time to time.

(b) In certain circumstances, we may require you to submit additional information about yourself or your business, provide records, and complete other verification steps.

(c) You represent and warrant to us at all times that, to the best of your knowledge, any information provided to us by you is complete, accurate, and not misleading in any material respect and you agree to notify us should any such information change.

(d) You hereby authorize us, and or any third-party service provider(s), to take any measures that we consider necessary to verify and authenticate your identity, confirm the information you submit about you, including your banking information, and to take any action we deem necessary based on the results thereof.

(e) Upon the acceptance of your application to register for a CADT Account, BVCI shall, in accordance with its general operating procedures, establish the relevant CADT Account(s) in the name of the Client upon which you may affect transactions in CADT as provided under and in accordance with the terms and conditions of this Agreement.

(f) Without prejudice to any other rights we may have to suspend the use of any CADT Account or to terminate this Agreement, we may at our sole discretion lock or suspend any CADT Account and/or terminate this Agreement (and close your CADT Account) in the event:

(i) of any failure or suspected failure by you to comply with this Agreement, including failure to comply with any requests that we make at any time for relevant information and/or documentation, including, without limitation, with respect to your identity or your transactions. Locking or suspending your CADT Account will prevent you from accessing your CADT Account, making payments, including requesting delivery of or otherwise removing your Client Money, or otherwise dealing with your CADT or Client Money. Subject to Applicable Law, we will notify you of any such suspension or locking as soon as is reasonably practicable; or

(ii) a full or satisfactory verification or review cannot be completed successfully in accordance with this Agreement and our policies, and

g) you understand and agree that any such suspension, locking or account closure may result in your loss or forfeiture of your CADT and any of your Client Money corresponding to the CADT held in the Custodial Account. Subject to applicable law, we will notify We reserve the right to maintain your account registration information, including your personal information, after termination of your CADT Account, all as more particularly described in our Privacy Policy.
you of any such suspension or closure as soon as is reasonably practicable.

h) BVCI may temporarily suspend access to your CADT Account in the event that a technical problem causes system outage or CADT Account errors until the problem is resolved.

5. CADT Accounts and Client Money

(a) Upon establishing a CADT Account, you will be issued CADT as the evidence of your ownership interest of the Client Money that BVCI holds in a Custodial account, through BVCI and BvcPay. Such transaction and any other BVCI Services that we may agree from time to time to provide to you will be subject to and undertaken in accordance with this Agreement, and any Applicable Laws.

(b) Your CADT Account is not a bank account or a deposit account. Client Money in the Custodial Account is (i) in BVCI's name and under our control, but subject to the terms and conditions of this Agreement and the applicable Custodial Agreement; (ii) separate from our business and operating bank accounts; and (iii) established for the benefit of BVCI Clients pursuant to the terms and conditions of this Agreement. Each CADT in your CADT Account represents one (1) dollar in Canadian Currency forming part of the aggregate amount of Canadian Currency deposited in the Custodial Account.

(c) The number of CADT held in your CADT Account quantifies the total of your interests in the Canadian Currency held in the Custodial Account. CADT represents and is evidence of your proportionate interest in the aggregate of all Canadian Currency held in the CADT Account.

(d) Notwithstanding anything contained in this Agreement to the contrary, in the event the amount of CADT reflected on the BVC Chain were to exceed the amount of Canadian Currency deposited in the Custodial Account at any given time, or from time to time, whether as a result of fraud, theft or otherwise, your interest in such funds shall be pro rated among all valid holders of CADT to number of CADT held at the applicable time in CADT Accounts such that all such holders, including, if applicable, BVCI (should it hold any CADT in a CADT Account or be owed any amount(s) from any such Client(s) holding CADT that is (are) to be settled in CADT) are treated equitably in such respect. For purposes of establishing any such proportionate interest, BVCI shall have the discretion to make any adjustments that it reasonably believes are equitable, including, but not limited, to account for any suspended or cancelled CADT Accounts or for any other matter or thing that it reasonably believes is attributable to any CADT Account(s) and or which caused CADT reflected on the BVC Chain to exceed the amount of Canadian Currency deposited in the Custodial Account.

6. CADT Transactions

(a) You can obtain CADT as follows:

(i) where delivery is permitted and made in accordance with all applicable requirements, by receiving CADT from BVCI in exchange for the delivery of Canadian Currency directly to the Custodian who will receive the Canadian Currency on BVCI's behalf via BvcPay, which the Custodian will deposit into the Custodial Account. Upon deposit, such funds are held by the Custodian, as appointed custodian of BVCI, which holds the funds in trust for You; or

(ii) receiving CADT from another Client. Such CADT represents the transfer, from the Client making the CADT Payment to the Client receiving the CADT Payment (whether or not such payment is made in relation to the purchase of any goods or services or otherwise), of the corresponding Canadian Currency held in the CADT Account and the interest therein represented by the CADT so transferred.

(b) CADT payment instructions must be completed through BvcPay. If you give a valid CADT payment instruction through BvcPay:

(i) You authorise BVCI, including the Custodian and any other agents of BVCI, to:

(A) transfer (including, where relevant, by giving instructions to BVCI and/or the Custodian on behalf of BVCI) a corresponding amount of Canadian Currency held by you in the CADT Account to another Client nominated by you in the instruction; and

(B) record in your CADT Account a decrease in the amount of CADT you wish to transfer by debiting your CADT Account with an amount representing the quantity of CADT transferred by you; and

(ii) You acknowledge that such transaction will be recorded on the BVC Chain, which is viewable to the public as a ledger.

(iii) A valid CADT Payment instruction initiated through your CADT Account via BvcPay shall be actioned by BVCI as soon as practicable on receipt of a valid instruction and is irrevocable and irreversible. You agree that any instruction to make a CADT Payment given by you at the time when you do not hold sufficient CADT in your CADT Account (as determined by the balance reflected on your relevant CADT Account) will be deemed invalid.

(iv) BVCI reserves the right to impose limits on the amount of CADT you can transfer to or receive from another Client to assist in protecting the integrity of the BVCI system or our Clients from loss, or prevent fraud and limit the risk of money laundering and terrorism financing. BVCI reserves the right to establish individual or aggregate transaction limits on the size or number of CADT transactions you make during any specified time period(s).

(c) Subject to any locking or suspension of your CADT Account in accordance with this Agreement, you may, at any time, surrender your CADT to us and take delivery of the corresponding Canadian Currency via BvcPay, in which case the corresponding Client Money is transferred to the bank account linked to your verified CADT Account.

(d) BVCI reserves the right to restrict the transfer of Client Money, whether by bank wire or other means, until it is reasonably certain that the Canadian Currency has passed any repudiation period based on the payment method used to transfer it to BVCI.

(e) You are responsible for confirming the accuracy of the information you provide about each transfer of CADT that you initiate, including the CADT Account number of the recipient and the transfer amount and acknowledge that BVCI will not be liable for any errors made by you.

(f) BVCI reserves the right to review certain potentially high-risk transactions. If a transaction is being reviewed, BVCI may place a hold on the transaction and provide notice to the recipient. BVCI will then conduct a review and either clear or cancel the payment. If the transaction is cleared, BVCI will provide notice to the recipient. Otherwise, BVCI will cancel the transaction and the CADT will be returned to the sending Client's CADT Account.

(g) When you receive a transfer, you are liable to BVCI for the full amount of the transfer plus any applicable fees if the transaction is later invalidated for any reason. You agree to allow BVCI to recover any amounts due to BVCI by debiting your CADT Account balance. If there is insufficient CADT in your CADT Account to cover your liability, you agree to immediately reimburse BVCI through other means.

(h) BVCI shall not be responsible for errors, negligence, or inability to make CADT Payments, nor shall BVCI be responsible for any delays in the transmission, delivery, or execution of your order due to breakdown or failure of transmission or communication facilities, or to any Force Majeure event or any other cause or causes beyond BVCI's reasonable control or anticipation.

(i) It is your responsibility to determine what, if any, taxes apply to the transfers you make or receive, and it is your responsibility to collect, report and remit the correct tax to the appropriate tax authority. BVCI is not responsible for determining whether taxes apply to your transaction, or for collecting, reporting or remitting any taxes arising from any transaction.

(j) All transactions with CADT, including any fees or charges for services due to us or any third-party provider or supplier in relation to the services or transactions, will be recorded on the relevant CADT Account. All transactions are recorded electronically through the BVC Chain using CADT as the unit of account.

(k) By using any of the BVCI Services, you represent and warrant that your actions are not in violation of any Applicable Laws, and that you do not intend to transact with any Restricted Territory or Restricted Person, or any person or entity located in any Restricted Territory, or any person controlled by, affiliated with or otherwise related to any Restricted Person.

7. Communication methods

(a) By entering into this Agreement, you agree that we may provide you with any communications as well as any disclosures in electronic format ("Communications "). Your consent to receive electronic Communications includes, but is not limited to:

(i) legal and regulatory disclosures and communications associated with your CADT Account or the BVCI Services;

(ii) notices or amendments relating to this Agreement, including any of the policies that form part of this Agreement as provided for herein;

(iii) amendments to our Fees Schedule; and

(iv) communications regarding any transactions and or in respect of your CADT Account.

(b) Communications that we provide to you in electronic form will be provided by e-mail, by posting to the BVCI Website (or such other website as we may from time to time notify to you) or BvcPay, or through other electronic communication such as mobile push notification or text message, or posted to your CADT Account via BvcPay. You warrant that you will not attempt to circumvent the receipt of any Communication we send. You acknowledge and agree that Communications that we send you are deemed to have been received by you within 24 hours of the time posted to the BVCI Website or BvcPay, or within 24 hours of the time emailed or texted to you, or posted to your CADT Account, unless we receive notice that the email was not delivered.

(c) All electronic Communications from us to you will be considered "in writing" and shall have the same meaning and effect as a paper Communication. You should print or download for your records a copy of this Agreement and any other Communication that is important to you.

(d) In respect of any matter concerning your CADT Account or any BVCI Services, you may choose to only contact us by email or telephone at our email address and telephone number listed on the BVCI Website.

(e) You must inform us of any changes to your contact details and other information provided to us, including, but not limited to postal and residential address, Email Address and telephone numbers. We may periodically contact you to validate information. If you do not respond, your BVCI User CADT Account may be locked or suspended until we can verify your current contact information.

(f) You authorize BVCI, and the Custodian and any agent of BVCI, to act upon instructions given via your CADT Account. You agree that we, and the Custodian and any agent of BVCI, are, in respect of any instruction received from a person using your CADT Account entitled to assume that the person is you.

(g) You acknowledge that the primary method of accessing your CADT Account, giving instructions to us, and communicating with us, is through the internet. You confirm that you have regular access to the internet for this purpose. You acknowledge that internet and email transmissions are not secure or reliable forms of communication. You accept the associated risks, including risks of delays, network overloads, and transmission errors and that messages may be intercepted, read, or modified by third parties.

(h) You shall be responsible for all telephone, cable, line, and/or internet service provider, or similar charges incurred when using our services or accessing the BVCI Website or BvcPay, if any.

(i) You agree to use only legally purchased software, to implement adequate anti-virus and firewall protection, and to apply all security related software updates on any computer and internet interface equipment that you may use to access your CADT Account.

8. Security

(a) In order to access your CADT Account, you must be in possession of your email address and an account password (“Account Password”). In order to transact with your CADT, you must be in possession of your trading password (“TRA-Password), which will be used to encrypt and protect the private key for your CADT wallet. The Account Password and TRA-Password are established by you and may be changed at any time by you. The TRA-Password and the related private key are not stored on your mobile device or BVCI’s servers. In the event you forget your TRA-Password, you will need your private key to reset your TRA-Password.

(b) You are responsible for maintaining the confidentiality and security of any and all account names, user IDs, passwords (including the Account Password and TRA-Password), private keys, personal identification numbers (PINs) and mobile unlock codes that you use to access the BVCI Services. You are responsible for keeping your email address up to date in your CADT Account profile and for maintaining the confidentiality of your user information. You agree to notify BVCI immediately if you become aware of any unauthorized use of your CADT Account, the BVCI Services, or any other breach of security regarding either of them. We strongly advise you to enable all relevant security features such as two-factor authentication, as available. BVCI will not be liable for any loss or damage arising from your failure to protect your account information.

(c) We shall not bear any liability for any damage or interruptions caused by any computer viruses, spyware, or other malware that may affect your mobile device, computer or other equipment, or any phishing, spoofing, or other attack. We advise the regular use of a reliable virus and malware screening and prevention software. If you question the authenticity of a communication purporting to be from BVCI, you should login to your CADT Account through BvcPay, not by clicking links contained in emails.

9. Fees, charges, and expenses

(a) We will charge fees in respect of the services provided to you under this Agreement as specified in the fee schedule (as amended from time to time) available on the BVCI Website (the “Fee Schedule”), including (without limitation) transaction fees as per such Fee Schedule (as amended from time to time). Any increase of such fees charged by BVCI is subject to thirty (30) days’ prior written notice as described in paragraph 20(i) before taking effect. You should always check the Fee Schedule before completing a transaction in your CADT 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 BVCI (through the Custodian) or receiving funds from BVCI (through the Custodian).

(b) The Client will be liable for and in respect of, and shall fully reimburse and indemnify BVCI for and in respect of, all costs properly incurred in connection with the services or activities BVCI provides to or engages in with the Client in connection with this Agreement, including (without limitation) any third party fees and charges and any and all other liabilities, costs, and expenses incurred by BVCI in connection with any such services or activities (including, without limitation, legal fees on a full indemnity basis and all taxes and other duties arising in connection with any fees, charges, costs or expenses incurred in or incidental to or in contemplation of the enforcement or protection of any of BVCI’s rights under this Agreement).

(c) Unless otherwise agreed by us in writing, all amounts (including, without limitation, all fees and charges) payable by you shall be due on demand without set-off, counterclaim, or deduction.

(d) Unless otherwise agreed by us in writing, all payments due from you to us under this Agreement shall be made by you in cleared funds. We may also agree to collect fees due under this Agreement by CADT Payments. Where we collect any amounts due to us by CADT Payment the corresponding deduction will be recorded in your CADT Account as a debit transaction.

(e) We reserve a right to collect any amounts due from you to us by CADT payment (along with the corresponding Canadian Currency in the Custodial Account) or Canadian Currency alone, or any combination thereof in an equivalent amount. You hereby authorise BVCI to deduct from your CADT Account(s), and by extension, the corresponding CADT held in the CADT Account, CADT in respect of fees or charges that you may incur by using the services provided by BVCI and all other fees, charges, costs and expenses that we may incur in connection with the services we provide to you or pursuant to our relationship with you. You agree that we may, at our sole discretion and without notice to you, appropriate the whole or any part of your CADT (and by extension, the corresponding amount of Canadian Currency in the Custodial Account) and use the CADT so appropriated (including the corresponding amount of Canadian Currency) to set-off any of your liabilities or obligations to us whether in respect of fees and charges or any other monies or liabilities due or owing to us.

10.Term and Termination

(a) This Agreement will remain in effect and will bind you and us until such time as your CADT Account is closed. We may in our entire discretion terminate this Agreement by notice with immediate effect for any reason whatsoever, including any breach of this Agreement by you.

(b) Subject to our rights and remedies in the event of closure or suspension of your CADT Account in accordance with this Agreement, upon termination, you can choose to surrender your CADT to us and take delivery of the corresponding Client Money via BvcPay, or transfer your CADT to another Client via BvcPay, provided that no amount is due or owing from you to us under this Agreement (including any applicable fees and charges relating to any such transaction) remains outstanding.

(c) Any accrued rights, remedies, obligations and liabilities of the parties as at termination shall not be affected, including the right to claim damages in respect of any breach of the Agreement which existed at or before the date of termination. Any paragraphs of this Agreement which expressly or by implication have effect after termination shall continue in full force and effect. Without limiting the generality of the foregoing, in the event that BVCI terminates this Agreement or your access to BVCI Services, or cancels your CADT Account, you remain liable for all activity conducted on or with your CADT Account while it was active and for all amounts due hereunder.

11.Confidentiality and Privacy

(a) You acknowledge that we may collect, hold and use information (including personal information as defined in the Privacy Polcy (as amended)) relating to you or, if applicable, your directors, employees, and other individuals in accordance with our Privacy Policy. Such Privacy Policy is deemed to form part of this Agreement. Such Privacy Policy may be amended from time to time in accordance with this Agreement. By being a party to this Agreement, you represent and warrant that you have reviewed the Privacy Policy and that you understand its meaning and intent.

(b) You acknowledge that in transferring funds to BVCI directly into the account of the Custodian, the Custodian may collect, hold and use information (including personal information) relating to you or, if applicable, your directors, employees, and other individuals consistent with what it ordinarily collects in connection with any transfer of funds to it. This information will be held by the Custodian in accordance with its standard practices and procedures and its privacy policy.

12. Risk Factor & Disclosures

(a) For each CADT that is issued by BVCI and remains in circulation, one ($1.00) Canadian Dollar must be deposited with BVCI into the Custodial Account maintained at a Custodian. The Custodian has been appointed by BVCI pursuant to the terms and conditions of the Custodial Agreement. Neither the Custodial Agreement nor the Custodial Account creates or represent any relationship between you and the Custodian. BVCI holds (indirectly through the Custodian) Client Money in the Custodial Account in BVCI's name, but on behalf of, and for the benefit of Clients, pursuant to the terms of Client Agreements, as such agreements may by amended, varied, supplemented or modified from time to time in accordance with their terms. BVCI believes the deposit of Canadian Currency in the Custodial Account in the amount equal to and corresponding with CADT issued will promote the price stability of CADT with an intended goal of one (1) CADT being worth one ($1.00) Canadian Dollar. However, this does not guarantee that the value of one (1) CADT will always equal one ($1.00) Canadian Dollar. Due to a variety of factors outside of BVCI's control, the value of CADT can fluctuate above or below one ($1.00) Canadian Dollar. BVCI cannot control how any third party(ies) value CADT, and BVCI is not responsible for any losses or other issues that may result from fluctuations in the value of CADT.

(b) BVCI's obligations to you and or with respect to your Client Money or Client Account is subject to the terms and conditions of this Agreement. In connection with any activity that BVCI may undertake or have undertaken in furtherance of this Agreement or any of the BVCI Services that BVCI has or may provide, BVCI is acting pursuant to the contractual relationship created solely by this Agreement, and in no event do you or BVCI intend that (i) BVCI, or any Custodian or agent of BVCI, act or be responsible as a fiduciary to you or any other person; (ii) or that such relationship create, by implication or otherwise, any fiduciary duty on the part of BVCI, or any Custodian or agent of BVCI, and no such duty will be deemed to have arisen in connection with any such activity.

(c) You are responsible for complying with Applicable Law. You agree that BVCI 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 any of the BVCI Services, including any accurate reporting of the tax or legal status of CADT in your jurisdiction.

(d) Changes to any Applicable Laws or actions by any Governmental Authority may adversely affect the tokenization / minting of Canadian Dollars into CADT, CADT Payments, and or the use, transfer, surrender and/or value of CADT. Changes to any Applicable Laws may materially adversely affect CADT, this Agreement and or any of the BVCI Services.

(e) CADT held in your CADT Account is not subject to deposit insurance protection, including, but not limited to, Canadian Depository Insurance.

(f) Your ability to surrender CADT for the corresponding amount of Canadian Currency is conditional on (i) your possession of a corresponding amount of CADT associated with a registered CADT Account, (ii) no violation of this Client Agreement, and (iii) no action, pending or otherwise, by a regulator, law enforcement or a court of competent jurisdiction that would restrict any such surrender.

(g) Sending CADT to another address automatically transfers and assigns to that recipient, and any subsequent recipient, the right to surrender the CADT for the corresponding amount of Canadian Currency in the Custodial Account so long as the recipient is eligible to, and does, register a CADT Account.

(h) Depending on the actions of the owners of CADT before your receipt of CADT from another CADT address, it is possible that the transfer of CADT between CADT addresses could result in the CADT in your CADT Account being, or becoming, subject to a lien or other form of security interest.

(i) When CADT is sent out of your CADT Account to a recipient, such transaction is completed on the BVC Chain. This means that such transaction is irreversible and BVCI 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 CADT to an incorrect or unintended recipient.

(j) BVCI does not have control of, or liability for, any products or services that are purchased or sold by third parties using the CADT Services. BVCI is not liable for any losses or issues that may arise from such third-party transactions, including, but not limited to, legality (including any consequences for illegal transactions that might be triggered under this Agreement), quality, delivery, or satisfaction with any products purchased by means of a CADT transfer. If you are not satisfied with any goods or services purchased from, or sold to, a third party using the CADT Services, you must handle those issues directly with the third-party seller or buyer, as applicable.

13.Mobile Services

(a) To the extent you access the CADT Services through a mobile device, your wireless service carrier's standard charges, data rates, and other fees may apply. By using mobile CADT Services, you agree that we may communicate with you by SMS, MMS, text message, push notification, and/or other electronic means via your mobile device and that certain information about your usage of the CADT Services may be communicated to us. In the event that you change or deactivate your mobile telephone number, you agree to promptly update your account information to ensure that your messages are not sent to any person who might acquire your old number.

14. Restricted and Prohibited Activities

(a) In connection with your use of the CADT Services, you hereby agree that you will not do any of the following (the "Restricted Activities"):

(i) violate (or assist any other party in violating) any Applicable Law;

(ii) intentionally try to defraud (or assist in the defrauding of) BVCI or any other person;

(iii) provide false, inaccurate, or misleading information;

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

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

(vi) attempt to gain unauthorized access to other CADT Accounts, the CADT website, or any related networks or systems;

(vii) use any CADT Services on behalf of any third party or otherwise act as an intermediary between BVCI and any third parties;

(viii) collect any user information from other BVCI clients, including, without limitation, email addresses; or

(ix) defame, harass, or violate the privacy or intellectual property rights of BVCI or any other BVCI client.

(b) Using CADT Services for transfers related to or in furtherance of the following is prohibited, and BVCI reserves the right to monitor for transactions that relate to any of the following ("Prohibited Transactions"):

(i) any Restricted Territory or any Restricted Person or any person or entity located in any Restricted Territory, or any person controlled by, affiliated with or otherwise related to any Restricted Person.

(ii) any illegal activities, matters, goods or services, including, without limitation, any controlled substances, unless licensed and authorized by the jurisdiction in which the customer is based as well as by the jurisdiction in which the transaction takes place, and all other applicable laws and regulations are complied with;

(iii) any activities, goods or services that infringe or violate any copyright, trademark, or proprietary rights under the laws of any jurisdiction; and

(iv) any other activities, 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.

15.Limitation of liability

(a) If you are a consumer within the meaning of applicable provincial or territorial consumer protection legislation, this section 15 does not limit any legal rights that such legislation does not allow you as a consumer to waive. In particular, the limitation of BVCI's liability for the consequences of its acts will not apply if (1) the Consumer Protection Act (Quebec) applies to this Agreement, and (2) you are a consumer within the meaning of that Act and you reside or are domiciled in the Province of Quebec. The liability of each Released Party will be limited to the fullest extent permitted by applicable law.

(b) Subject to paragraph (f), each Released Party shall under no circumstances be liable, and each Released Party specifically disclaim all liability, as follows:

(i) for any loss of profit, or any special, incidental, indirect or consequential loss or damage, even if we had been advised of the possibility thereof, arising under or in connection with this Agreement or any BVCI Service, whether in contract, tort (including negligence), breach of statutory duty, or otherwise,

(ii) for any fees, duties, taxes, or loss as a result of theft or any other loss after Canadian Currency has been withdrawn from the CADT Account upon your surrender of CADT; or

(iii) for any loss as a result of risks associated with online transactions, including software and hardware failure latent defect, loss of data, delays, failure, errors, omissions, or losses of transmitted information or instructions, power outages, internet failure, hackers, denial of service (DoS) attacks, viruses, or other contaminating or destructive properties.

in each case, even if any Released Party has been advised of the possibility of such damages.

(c) BVCI will not be in breach of this Agreement and no Released Party will otherwise be liable to you for any loss suffered or incurred as a result of or related to any delay in performance or any non-performance of any obligations under this Agreement (and, where relevant, the time for performance will be extended accordingly) if and to the extent that the delay or non-performance is the result of or related to:

(i) Force Majeure; or

(ii) neglect, wilful misconduct or fault on the part of you including any failure to keep your Account Password, TRA Password or private key secure; or

(iii) any failure by you to comply with this Agreement.

(d) In case of Force Majeure, we will use our reasonable endeavours to mitigate the effect of the Force Majeure and to carry out our obligations under this Agreement in any other way that is reasonably practicable. We will, as soon as reasonably practicable, notify you of the nature and extent of the circumstances giving rise to Force Majeure.

(e) This Agreement sets forth the entire liability of the Released Parties and your exclusive remedy with respect to the activities and services contemplated herein, including the issuance, use and redemption of the CADT, the BVCI Services and activities undertaken by the Custodian under the Custodial Agreement. You agree not to bring any demand, suit, claim or action against the Custodian or any Released Party except BVCI.

(f) Our, and the other Released Parties, total liability to you in respect of any losses or other damages or claims arising under or in connection with this Agreement, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed the value of the amount of CADT in your CADT Account at the time of the alleged claim, subject always to a maximum liability limit of Twenty Thousand ($20,000) Dollars.

(g) NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE CADT SERVICES ARE PROVIDED "AS IS" AND WITHOUT ANY REPRESENTATION OR WARRANTY, WHETHER EXPRESS, IMPLIED OR STATUTORY. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE RELEASED PARTIES SPECIFICALLY DISCLAIM ANY AND ALL IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR

NON-INFRINGEMENT. BVCI MAKES NO WARRANTY THAT (I) THE CADT SERVICES WILL MEET YOUR REQUIREMENTS, (II) THE CADT SERVICES 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.

(h))The provisions of this paragraph 15 shall survive any termination or expiration of this Agreement.

16. Indemnity

(a) Subject to clause 17, except to the extent that it results from BVCI’s fraud, wilful misconduct, or gross negligence, the Client irrevocably and unconditionally agrees to indemnify and hold harmless the Released Parties indemnified against any loss, claim, damage, cost, or expense or any other liability whatsoever (including, without limitation, legal fees on a full indemnity basis and all taxes and other duties payable in connection therewith) which may be suffered or incurred:

(i) in connection with any service provided to you under this Agreement;

(ii) as a result of your failure to comply with your obligations under this Agreement;

(iii) in the enforcement of this Agreement; or

(iv) in connection with any instruction given by you, any transaction effected for you or any service provided to you, including any action properly taken by BVCI or by its agents or by the Custodian, or any of their respective agents under this Agreement.

(b) The provisions of this paragraph 16 shall survive any termination or expiration of this Agreement.

17. Client Exclusions and Obligations Related Thereto

(a) You will not be held responsible for any unauthorised or fraudulent payments or withdrawals arising from any loss or damage caused by unauthorised, fraudulent, or grossly negligent acts committed by us.

(b) If you believe that any item reported in your CADT Account is incorrect, or that any unauthorised or fraudulent activity has taken place, you must contact us immediately. We will make every reasonable effort to restore your CADT Account to the position it was in prior to the said activity, but you acknowledge that if you notify us more than one (1) business day after the said activity occurred, our ability to restore your CADT Account may be limited. We shall not be liable for any loss or damage you may incur or suffer as a result of such error, unauthorised, or fraudulent activity.

18. Intellectual property rights

(a) You acknowledge that any and all of the intellectual property rights including, but not limited to, trademarks, service marks, trade names, copyright, and other rights used or embodied within the BVCI Website or BvcPay are and will remain our sole property.

(b) All information and material supplied by us to you, excluding your CADT Account balances and other information specific to your CADT Account, constitutes part of our confidential and proprietary information except for any such information or material in the public domain through no fault of yours. You may not reproduce, copy or disclose such confidential and proprietary information without our prior written consent.

(c) You warrant that you will not, nor shall you attempt to, tamper with, modify, reverse engineer, gain unauthorised access to, or in any way alter any of our software, the BVCI Website or the BvcPay App. You understand that we will close your CADT Account immediately, and may take legal action against you if you breach, or we reasonably suspect that you may have breached, this warranty.

19.Winding-up or bankruptcy

(a) If any resolution is passed or order is made by a court or other competent authority for the dissolution, receivership, winding-up, or liquidation of BVCI, or any declaration is made in relation to BVCI under the Bankruptcy Act (Canada), or any similar legislation affecting creditor's rights generally (together, a "Termination Event"), any liquidator, trustee in bankruptcy, receiver, receiver manager, administrator, or similar court appointed officer who is appointed in respect of the affairs of BVCI (the "Appointed Person") will, subject always to applicable law, make such reasonable efforts as the Appointed Person may consider appropriate, using such information as the Appointed Person may hold, to locate you. If, having made such reasonable efforts, the Appointed Person is unable to locate you or your next of kin or successor, the Appointed Person may after the expiry of seven (7) years commencing with the date of the Termination Event, deem your CADT Account abandoned and the CADT Account will be closed with all and any CADT (and corresponding Canadian Currency) comprising the CADT Account being forfeited.

(b) Subject to the direction of the Appointed Person, on the winding-up or bankruptcy of BVCI, the Canadian Currency in respect of the CADT held by you will be transferred to you upon your instruction either to your bank account or by sending a cheque payable to you to your last known address, less any outstanding fees due under this Agreement.

20.General

(a) Right of set-off. The Client shall be under an obligation to pay all amounts due under this Agreement in full without any deduction or withholding except as required by law and the Client shall not be entitled to assert any credit, set-off, or counterclaim against BVCI in order to justify withholding or disputing payment of any such amount in whole or in part. BVCI may, without limiting its other rights or remedies, set-off any amount owing to it by the Client against any amount payable by BVCI to the Client.

(b) Default interest. Where permitted by law, without limiting any other right or remedy of BVCI, if the Client fails to make any payment due to BVCI under this Agreement by the due date for payment, BVCI shall have the right to charge interest on the overdue amount at the rate of 3% accruing on a daily basis from the due date until the date of actual payment of the overdue amount, whether before or after default, judgment or both.

(c) Entire agreement. This Agreement supercedes and terminates all other agreements as between the Parties and represents the entire agreement between the Parties and there are no covenants, representations, warranties, conditions or agreements, express or implied, collateral or otherwise forming part of or relating to this Agreement except as expressly set out in this Agreement or expressly incorporated by reference into this Agreement.

(d) Amendment

(i) Except as set out in this Agreement, any variation, including the introduction of any additional terms and conditions, to the Agreement, shall only be binding when agreed in writing and signed by an authorised signatory of BVCI.

(ii) We shall have the right, by notice in writing to you, to add to, alter, amend, vary, supplement, or modify all or any parts of the Agreement at any time as we may consider necessary or desirable in order to reflect changes in Applicable Law, to meet regulatory requirements or to reflect new industry guidance and or codes of practice.

(iii) We may vary or amend the terms or provisions of this Agreement (including those relating to fees), by giving you thirty (30) days prior written notice of any variation or amendment, which notice, if posted on the BVCI Website, or delivered by us to, or posted to, your CADT Account or your email address, shall be deemed to have been received by you on the day it was posted or delivered. If you are not in agreement with such amendments, you may terminate this Agreement in accordance with paragraph 10. You shall be deemed to have agreed to any variation or amendment of the terms or provisions of this Agreement if you continue to use our services after the date specified in the notice as the effective date of such variation or amendment.

(e) Severability. In the event any provision (or part of any provision) of this Agreement shall for any reason be held by a court or any other competent authority to be invalid, illegal, or unenforceable, that provision, to the extent required, shall be deemed deleted and the remaining provisions shall remain valid and enforceable.

(f) Rights of third parties. Expect as expressly stated in this clause, a person who is not a party to this Agreement shall not have any rights under or in connection with it. The parties expressly acknowledge and agree that the Released Parties are third party beneficiaries of clauses 15 and 16 of this Agreement, and it is agreed that we are acting as agent and trustee for them in respect of their rights in respect thereof.

(g) No agency or partnership. Except as otherwise expressly provided for in this Agreement, nothing in this Agreement is intended to, or shall be deemed to, constitute a partnership or joint venture of any kind between any of the parties, nor constitute any party the agent of another party for any purpose. No party shall have authority to act as agent for, or to bind, the other party in any way.

(h) Assignment. BVCI may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights under this Agreement and may subcontract or delegate in any manner any or all of its obligations under this Agreement to any third party or agent. The Client shall not, without the prior written consent of BVCI, assign, transfer, charge, subcontract, or deal in any other manner with all or any of its rights or obligations under this Agreement.

(i) Notices. Any notice or other communication required to be given to a party under or in connection with this Agreement shall be in writing and shall be sent to the other party via the Message Box, such notice shall be deemed to have been duly received on the same day as it is sent. The foregoing shall not however apply to the service of any proceedings or other documents in or in connection with any legal action, which documents must be sent to BVCI's business address, as published on the BVCI Website from time to time.

(j) No waiver. A waiver of any right under this Agreement is only effective if it is in writing and shall not be deemed to be a waiver of any subsequent breach or default. No failure or delay by a party in exercising any right or remedy under the Agreement or by law shall constitute a waiver of that or any other right or remedy, nor preclude or restrict its further exercise. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy. Unless specifically provided otherwise, rights arising under the Agreement are cumulative and do not exclude rights provided by law.

(k) Governing law and Jurisdiction. This Agreement is to be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any matter, claim or dispute arising out of or in connection with this Agreement, whether contractual or non-contractual, is to be governed by and determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. In the event of a dispute, you agree that the courts of the Province of Ontario will be competent to hear such dispute, and you agree to be bound by any judgment of that court.

(l) YOU AGREE TO THE USE OF ELECTRONIC COMMUNICATION TO ENTER INTO THIS AGREEMENT AND YOU HEREBY WAIVE ANY RIGHTS OR REQUIREMENTS UNDER ANY LAWS OR REGULATIONS IN ANY JURISDICTION THAT REQUIRE AN ORIGINAL (NON-ELECTRONIC) SIGNATURE OR DELIVERY OR RETENTION OF NON-ELECTRONIC RECORDS, ALL TO THE EXTENT PERMITTED UNDER APPLICABLE LAW.