

USER TERMS AND CONDITIONS

1. INTRODUCTION

These Terms and Conditions apply for your use of the Platform and the Services provided by MasterExchange Market AB, a Swedish limited liability company with registered address BOX 107, 182 05 Djursholm, Sweden and with company registration number 559443-6981 ("**MasterExchange**") and constitutes the agreement between you and MasterExchange. Note that the [Privacy Policy](#) constitutes an integral part of the Terms and Conditions.

By signing up to become a User via the Platform and creating an account, you will get access to the Platform and the Services. In order to use the Services, you must first read and accept to adhere to, as may be amended from time to time, (i) these Terms and Conditions, and (ii) the [Payment Service Provider's Terms and Conditions](#).

The Royalty Shares available on the Platform represent the right, interest and entitlement to receive a share of certain (if any) income, payments and/or other economic compensation relating to master royalties, including, but not limited to, compensation for streaming, sync, and internet radio of a Song. Each Royalty Share also represents a unique artwork and each Royalty Share is unique and non-fungible in every and all aspects. Each Royalty Share is identified by a specific token identification number, and it should be noted that each Royalty Share holds a different priority in case of the insolvency or bankruptcy of the Offeror. This means that a Royalty Share with a lower token identification number will be prioritized before a Royalty Share with a higher token identification number, and potential claims arising from one Royalty Share may thus be treated differently from another in case of the insolvency or bankruptcy of the Offeror. For more information see the Purchase Agreement for the different Royalty Shares.

It should be noted that the Royalty Shares are not financial instruments, and consequently, investing or trading in the Royalty Shares will not be subject to any consumer protection rules typically applied for products or services on the securities markets. You should be aware that MasterExchange is not regulated by any supervisory authority for the purpose of the rules regulating the securities market or any similar rules.

2. DEFINITIONS

"Agreement" shall mean the Terms and Conditions

"Closely Related Party" shall mean with respect to a User (i) an undertaking within the same group (as defined in the Swedish Companies Act) of undertakings as the User (including when the User is a private individual and thus controls an undertaking, and vice versa); (ii) the spouse or co-habitee of the User; (iii) children of the User who are in the custody of the acquiring party; (iv); and (v) a party who cooperates with the User for the purpose of achieving control over the Royalty Shares for a certain Song

"Inside Information" shall mean any information of a precise nature that has not been made public, relating, directly or indirectly, to one or more Royalty Shares, and which, if it were made public, would be likely to have a significant effect on the prices of those Royalty Shares

"Master Royalty Recipient" shall mean the legal owner and recipient of master royalties, either directly or pursuant to separate distribution or license agreements, of a certain Song prior to the issue date of Royalty Shares on the Platform

"Offeror" shall mean the individual or legal entity offering Royalty Shares in connection with an initial music offering on the Platform

"Payment Service Provider Terms and Conditions" shall mean the [Terms and Conditions of MangoPay](#)

"Platform" shall mean the trading platform operated by MasterExchange and available on MasterExchange's web-based tool(s) (e.g., masterexchange.com and app.masterexchange.com) and application(s)

"Privacy Policy" shall mean the [Privacy Policy of MasterExchange](#), as may be amended from time to time

"Royalty Payment" shall mean the payment a User is entitled to by virtue of holding one Royalty Share. The Royalty Payment corresponds to the net sum of the pay-outs collected for the corresponding Song after deduction of any third-party fees or charges and which have been duly transferred to and received by MasterExchange or a partner of MasterExchange, divided by the total number of Royalty Shares representing the same Song

"Royalty Shares" shall mean non-fungible tokens minted using blockchain technology and which represents a certain percentage of master royalties from a certain Song, granting the holder a pro rata right to receive master royalties derived from a certain master recording

"Services" shall mean the services offered by MasterExchange on the Platform and any other application provided by MasterExchange

"Song" shall mean the master recording of a song, sound, or performance with a specific International Standard Recording Code (ISRC)

3. ELIGIBILITY AND ACCOUNT CREATION

To be eligible for registration as a User, you must be at least eighteen (18) years old and have legal capacity under the laws of the jurisdiction of your residency. You may not be subject to any guardianship or similar limitation in terms of your legal capacity. You must be a resident of a member state within the EU, EEA, or a resident of the United Kingdom.

To access the Platform and the Services you need to create an account and you must thereby provide the following information:

- E-mail address
- Phone number
- First name

- Last name
- Country of residence
- Nationality
- Day of birth
- Password

Accounts are limited to one (1) account per User. If a User registers, exploits, violates or otherwise utilizes multiple accounts, MasterExchange may, subject to Section 24 of these Terms and Conditions, close some or all of the accounts registered in the User's name (or a third-party's name) and terminate future usage of the services for the User in question.

4. OBLIGATIONS OF THE USER

By accepting the Terms and Conditions, you accept and acknowledge that:

- (1) The information provided by you when signing up and registering your account at the Platform, or information provided to MasterExchange upon request, including but not limited to information about your name and other personal information, are true, up to date and correct in any and all aspects.
- (2) The Services may only be used for legitimate purposes, and you will only use the Services in accordance with the Terms and Conditions, applicable laws and MasterExchange's guidelines, and you will not use the Services in any fraudulent, disruptive, or abusive behavior.
- (3) You may not use any robot, spider, scraper, data mining tools, data gathering, and extraction tools, or other automated means to access the Service for any purpose, except with the prior written approval from MasterExchange.
- (4) You may not share personal, confidential, or private information that belongs to others.

5. THE PLATFORM

5.1 About the Platform

The Platform is a marketplace for investing and trading in Royalty Shares. As a User you will be able to invest in unique Royalty Shares of a specific Song. Each individual Royalty Share is represented by unique artwork and holders of Royalty Shares, will be entitled to Royalty Payments, if any, attributable to the relevant Royalty Shares' portion of the Song that the Royalty Shares represent. More information about MasterExchange and the Platform is available in the FAQ section of our website masterexchange.com.

5.2 Initial music offering

When new Royalty Shares are about to be issued on the Platform, MasterExchange conducts a due diligence of the Song and the Master Royalty Recipient offering the Royalty Shares. The Master Royalty Recipient decides on the total amount and the price to be set at the initial music offering of the Royalty Shares at the Platform.

Before you place an order in connection with an initial music offering of Royalty Shares on the Platform, you should always read and make sure to understand the Purchase Agreement, the Investor License Agreement and the white paper pertaining to the Royalty Shares in order to make an informed investment decision.

If a minimum subscription is applied on the initial music offering, and the minimum subscription is not met within the subscription period, the initial music offering may be void and the Royalty Shares nullified and removed from the Platform. In such a case, the Users will be refunded for their investment in the Royalty Shares in that initial music offering.

In the initial music offering, MasterExchange facilitates transactions between the Master Royalty Recipient and Users, but MasterExchange is not a party to any agreement between the Master Royalty Recipient and purchasers of Royalty Shares.

5.3 Trading

Trading on the Platform may be done in two different ways. You may either (i) place your orders to buy or sell Royalty Shares of a particular Song on the market, via a "**Best Price Order**" or "**Limit Order**", or (ii) make a direct offer to buy one or several specifically identified Royalty Shares directly from the holders of such Royalty Shares, via the "**Make Offer**" function.

As each Royalty Share contains unique artwork, some Users may want to collect specific Royalty Shares of a certain Song. For such purposes, you can simply locate the Royalty Share(s) you want to purchase and make a bid to the holder(s) of those Royalty Share(s), regardless of whether those particular Royalty Shares have been offered on the market or not. The holders of those Royalty Shares will be able to accept or reject your offer or make a counteroffer.

If you are not interested in any specific Royalty Shares and just want to invest in whatever Royalty Share of a Song that is currently available, you may simply put a Best Price Order or Limit Order to buy any Royalty Share of a particular Song that is available on the Platform at the time. And *vice versa* if you want to sell your Royalty Share on the Platform.

You acknowledge and agree that the contract to buy and sell Royalty Shares is made solely between the buyer and seller and MasterExchange is not part of that contract.

Order depth and information on price, volume, time, and type of transactions executed are available on the Platform.

5.4 Market abuse

Royalty Shares are not covered by the requirements of the Market Abuse Regulation or any similar laws on market abuse. However, in order to ensure the orderly trading on the Platform, MasterExchange has implemented measures and procedures in order to detect and prevent market abuse on the Platform.

If you obtain Inside Information, you must immediately contact MasterExchange at support@masterexchange.com and inform MasterExchange of the nature of such Inside Information. You are not allowed to acquire or dispose of Royalty Shares relating to which you have Inside Information, neither directly nor indirectly and neither for your own account nor for the account of a third party.

You may not recommend, on the basis of Inside Information, that another person acquires, disposes, cancels an order, or amends an order regarding Royalty Shares to which that Inside Information relates to, and you may not disclose Inside Information to anyone except MasterExchange.

You may not place or execute orders that give, or are likely to give, false or misleading signals as to the supply of, demand for, or price of, a Royalty Share; or place or execute orders that set, or are likely to set, the price of one or several Royalty Shares at an abnormal or artificial level. Notwithstanding the aforementioned, it should be noted that buyers are free to negotiate the price for one or more Royalty Shares with a seller directly through the Make Offer function, even where the price for such offer deviates from the price for Royalty Shares of the same Song in connection with Best Price Orders/Limit Orders.

If you fail to comply with the above-mentioned market abuse requirements, MasterExchange, in its sole and absolute discretion, may suspend you from, or restrict your use of the Services and/or access to the Platform with immediate effect, including, but not limited to, canceling and/or terminating orders placed and/or executed, and terminating the Agreement and User account.

5.5 Additional information

In order to combat market abuse, money laundering or other illegal or unauthorized activity, MasterExchange may request additional information from you, for example in conjunction with a deposit or withdrawal of funds. Such request may include, but is not limited to, information about:

- i. proof of age and identity, for example a passport copy, driver's license or other official identification card;
- ii. proof of address, for example an extract from an official authority confirming your registered address or a utility bill;
- iii. copy of credit or debit card; and/or
- iv. source of wealth and/or source of funds.

If a User fails to comply with a request to provide additional information, MasterExchange may suspend, restrict, or terminate the User account.

You are responsible for the information you provide to MasterExchange.

5.6 Communication and login

The communication between you and MasterExchange can take place directly on the Platform. MasterExchange may also communicate through direct messages via e-mail or other communication. All communication will be in English or Swedish.

You should keep your password confidential at all times. If you believe that the confidentiality of your password has been compromised in any way, you should contact MasterExchange as soon as possible to avoid abuse of your account.

6. RISKS

Investing in the Royalty Shares will be associated with risking your capital. Past performance is no guarantee for future performance and the value of a Royalty Share may both increase and decrease. It is not guaranteed that you will get your invested capital back.

Any valuation of the Royalty Shares in connection with the initial music offering is solely an estimate and may deviate significantly from the actual market price once the Royalty Shares are being traded on the Platform. If you place an order in connection with the initial music offering of Royalty Shares, you will risk losing your invested capital.

The liquidity in the Royalty Shares may vary from time to time, and there are no guarantees that there will be any buyer for your Royalty Shares in the foreseeable future.

The fact that the Royalty Shares are all unique and represent different unique artwork, means that different Royalty Shares representing one and the same Song could potentially be valued differently (see above). This means that the value of a specific Royalty Share may be very difficult to assess which could lead to you losing your invested capital.

The value of a Royalty Share may partly or wholly depend on the revenue performance of the Song it represents, and the royalties collected as compensation for the Song. If the Song is unsuccessful and no or limited royalties are collected, this will risk having a negative effect on the value of the Royalty Share.

A Royalty Payment may only be paid out to the holder of a Royalty Share where MasterExchange or its partner have duly received the payment from the Master Royalty Recipient (or a third-party actor). In case of insolvency or bankruptcy of the Master Royalty Recipient, each Royalty Share holds a different priority. Hence, the priority of a claim arising from a holding of a Royalty Share may differ from another Royalty Share depending on the token identification number of the Royalty Share and any payments shall first be made to Royalty Share with token identification number one (1). Once Royalty Share with token identification number one (1) has been fully paid, payments shall then be made to Royalty Share with token identification number two (2). This process shall continue in numerical order, with each successive Royalty Share being paid in full before payments are made to the next Royalty Share, until all Royalty Shares have been fully paid.

A low token identification number is thus prioritized before a high token identification number. Consequently, a holder of a Royalty Share with a high token identification number is less likely to receive any payment (if any) in case of the insolvency or bankruptcy of the Master Royalty Recipient than a holder of a Royalty Share with a low token identification number.

Risks associated with specific Royalty Shares can always be found in the corresponding white paper.

7. PLATFORM FEES

Trading fees

MasterExchange charges the buyer a fee of 2 percent of the purchase amount and the seller a fee of 2 percent of the purchase amount for the execution of a transaction.

Royalty Payments

MasterExchange charges an administration fee of 1 percent on all Royalty Payments.

8. PAYMENTS

All payments in connection with investing or trading on the Platform, or in relation to any Royalty Payments or other payments in relation to your investments in the Royalty Shares are made through MasterExchange's payment service provider MangoPay.

9. DISTRIBUTION OF ROYALTY PAYMENTS

By using the Platform and the Services, you exclusively appoint MasterExchange, or a third party designated by MasterExchange, to administrate, distribute and make pay-outs of master royalties, which for the benefit of doubt cannot be guaranteed. The distribution of Royalty Payments may be conducted via a third-party payment service provider.

Payment of master royalties to owners of Royalty Shares will be made pro rata on a quarterly basis. A “quarter” shall be defined as a period of three consecutive months commencing on the first day of January, April, July, and October of each year.

Unless stipulated otherwise, Royalty Payments shall be made to owners of Royalty Shares after the end of each quarter and at the beginning of the following quarter (00:00 UTC) (the “**Record Date**”).

In order for payments of master royalties to be made to owners of Royalty Shares on the Record Date, the master royalties subject to payment shall be registered on either the corresponding Master Royalty Recipient’s account on the Platform or a designated account for royalty distribution provided by MasterExchange (“**Distribution Account**”) upon the Record Date. If the master royalties subject to payment are not registered on a Distribution Account upon the Record Date, such master royalties will be distributed the following quarter instead.

Payments of master royalties will be registered on a User’s Platform account within five (5) banking days following the Record Date. For the avoidance of doubt, it can be noted that Users can freely dispose of their Royalty Shares following the Record Date and still receive their corresponding pro rata master royalty payment if the User was the legitimate owner of the Royalty Share(s) at the time of the Record Date.

Below you will find a table, detailing the distribution of master royalties subject to each quarterly period:

Quarterly period	Record Date
1 January - 31 March (first quarter)	1 April
1 April - 30 June (second quarter)	1 July
1 July - 31 September (third quarter)	1 October
1 October - 31 December (fourth quarter)	1 January

The minimum amount that can be distributed to a User for a particular quarter is EUR 0.1 per Royalty Share. If the distribution amount is less than EUR 0.1 per Royalty Share, no payment shall be made for that quarter. The amount due shall be carried forward to the next quarter and added to the amount due for that quarter.

10. TAXES

It is your sole responsibility to ensure that you determine, collect, report and pay all applicable taxes, which include, but are not limited to, taxes, duties, levies, tariffs, and other governmental charges that you are required by law to collect and remit to governmental agencies, and or other similar municipal, state, federal, etc., incurred by you when using the Services.

11. PERSONAL DATA

MasterExchange handles your personal data in accordance with the General Data Protection Regulation (commonly known as "GDPR"), which regulates how personal data should be processed. GDPR aims to protect people from their personal information being treated abusively or otherwise inappropriate.

MasterExchange saves information provided by you when you register as a User, and information provided by you in connection with completion and/or updating of information. MasterExchange may supplement this information with other private or public records due to a legitimate interest with a legal basis under Article 6 GDPR.

MasterExchange is required to save certain information and in some cases to submit information to authorities in accordance with current laws and regulations. [In addition to these requirements, MasterExchange does not share your personal data with third parties.]

For more information on the handling of personal data, please see [MasterExchange's Privacy Policy](#).

12. INTELLECTUAL PROPERTY

The Services are legally protected, including copyrights, trademarks, service marks, patents, trade secrets, and other rights and nothing in the Terms and Conditions shall be interpreted as a transfer of any such intellectual property to you.

MasterExchange may be provided with content such as artist or album images, cover artwork, videos, descriptions of artists and songwriters, and other specifications from third-parties.

You are allowed to reproduce content from the Service for your personal use only. If you want to use, reproduce, modify, distribute, or store any of the content from the Services for commercial purposes, you need prior written permission from MasterExchange or the relevant owner of the intellectual property.

13. ROYALTY SHARE MEDIA

Your rights to the associated artwork, images, video, content, or other works of authorship linked to your specific Royalty Share, which is developed by MasterExchange, (the “**Royalty Share Media**”) are only as outlined below.

For as long as you lawfully own a Royalty Share, MasterExchange grants you a nonexclusive, perpetual, irrevocable (except as set forth below) worldwide license under our copyrights to use, distribute, reproduce, display, and perform (but not modify) the specific Royalty Share Media linked to your Royalty Share for personal non-commercial uses, with the right to sublicense such rights solely to third parties to enable the right to display the Royalty Share Media, with MasterExchange being a third party beneficiary to all such sublicenses with the ability to enforce such agreements. All intellectual property rights in and to the Royalty Share Media and any other intellectual property rights of MasterExchange not expressly licensed herein are reserved by MasterExchange.

The licenses granted in these Terms and Conditions are non-transferrable, except that if you lawfully transfer ownership of your Royalty Share, upon which the license to the Royalty Share Media discussed above to you shall terminate upon the effective date of such transfer, and such licenses will be assigned to the new owner of the Royalty Share with the corresponding Royalty Share Media. If you choose to sublicense any of your licensed rights set forth above, you are only permitted to do so if any such sublicensees agree that if your licensed rights are transferred (such as because you sell, transfer, or otherwise lose ownership of your Royalty Share), then any such sublicenses you have granted in such licensed rights will automatically terminate.

Notwithstanding any of the above, you may not use the Royalty Share Media in any way that constitutes unlawful, defamatory, harassing, abusive, fraudulent, racist, hateful, vulgar, cruel, illegal or obscene, or that promotes any such activity, as determined in MasterExchange’s sole discretion.

14. AMENDMENTS

The Terms and Conditions are in place until further notice, and to the date you or MasterExchange choose to terminate the Agreement. Due to commercial reasons, regulatory changes and authority requirements, and/or security reasons, MasterExchange may change these Terms and Conditions from time to time. Such an update will be communicated to you either via e-mail or by notification through the Platform.

The changed terms apply to new Users as of the date they are published on the Platform.

Already existing Users are bound by the amended terms 14 days after notification and publishing on the Platform.

If a User does not approve the amended terms, the User should terminate the agreement within 14 days of the amended terms are published on the Platform or after the notice via e-mail.

15. SAFEGUARDING OF FUNDS

All User funds are considered accounting funds and hence kept in a separate bank account or other financial institution regulated by applicable legislation for financial services or similar.

Because the User funds are separated from MasterExchange's ongoing business funds, the User funds are protected from third parties' claims in the event of insolvency by MasterExchange.

16. UPDATES AND TECHNICAL CHANGES

To keep the Services as relevant and functional as possible for you, MasterExchange reserves the right to make changes and updates to the Services without notice or liability.

17. NO RECOMMENDATIONS OR ADVICE

All content and information about Royalty Shares, master rights, songwriters, artists, a Song's financial performances, listings on charts, or any similar information provided on the Platform or otherwise in connection with the Services shall not be understood as investment recommendations, but as informative, educational information intended to be evaluated by you as a User. Past revenue performance of a song should not be construed as indicative of future revenues.

MasterExchange does not make recommendations or offer investment advice and is not responsible for any third-party recommendations or investment advice provided on the Platform or otherwise in connection with the Services. All Users of the Services are solely responsible for evaluating the merits and risks associated with the information provided before making an investment decision.

You agree not to hold MasterExchange or any third-party provider liable for any possible claim for damages arising from any decision you make based on information on the Service or elsewhere.

18. LIMITATION OF LIABILITY

The Services are provided on an "as is" basis without any warranties. MasterExchange cannot warrant an uninterrupted, or error-free experience when using the Services. No oral or written information or advice from MasterExchange shall be construed as to create a warranty.

MasterExchange makes no warranties or representations regarding the content, information, calculations, or anything else presented on the Platform regardless of whether it is provided by the Master Royalty Recipient or by/from MasterExchange.

Unless for our gross negligence or willful misconduct, MasterExchange or its directors, employees, contractors, or partners are not liable for any damages, including but not limited to, loss of money, goodwill, data, or other intangible losses as a consequence of you using the Services.

MasterExchange assumes no liability or warranty for non-operability or impaired accessibility to the Services due to, but without limitation to, technical difficulties or dependence on the services of third parties.

MasterExchange does not take direct or indirect responsibility for Royalty Shares offered on the Platform. MasterExchange shall not be held liable for any losses incurred by you in connection with investing in or trading in the Royalty Shares.

Any valuation of a Royalty Share in connection with initial music offerings is solely an estimate and shall not be considered as the actual market price and MasterExchange shall not be held liable for any valuation that later proves to deviate, also in cases of significant deviations, from the price the Royalty Shares are actually being traded for.

MasterExchange relies on third-parties such as collective management organizations and distributors for the collection of royalties, and neither MasterExchange nor the Master Royalty Recipient shall be held liable for any failure to pay Royalty Payments to the User, or delays in such payments, and the User undertakes not to direct any claims towards MasterExchange or the Master Royalty Recipient in relation to Royalty Payments, where such royalties have not been duly received by MasterExchange or a partner of MasterExchange.

The Services may be integrated with third-party applications, meaning applications, websites, and/or services to make available content, products, and/or services. You accept and acknowledge that MasterExchange does not endorse, and is not responsible or liable for the behavior, features, or content of any third-party application.

19. DISPUTE RESOLUTION

Users and Master Royalty Recipients must resolve disputes themselves, in good faith consultations. MasterExchange may, entirely without obligation, act as an intermediary if Users cannot jointly resolve the matter. Users are obliged to indemnify MasterExchange from and against claims for compensation of damages by virtue of such decision.

Users and Master Royalty Recipients are obliged to execute the obligations of each party in accordance with applicable legislation and regulations and these Terms and Conditions.

20. INDEMNITY

You agree to indemnify and hold harmless MasterExchange and our employees, contractors, agents, officers, and directors, from and against any and all claims, damages,

obligations, losses, liabilities, costs or debt, and expenses (including but not limited to attorney's fees), resulting from, or arising out of your use of the Services.

21. SEVERABILITY AND NO WAIVER

If any terms of the Terms and Conditions prove to be invalid for any reason, in full or in part, the remaining terms of the Terms and Conditions will still continue to apply in full.

In the event that MasterExchange fails to exercise or enforce any right or term of the Terms and Conditions, that will not constitute a waiver of such right or term.

22. COMPLAINTS AND GOVERNING LAWS

Swedish law is applicable to these Terms and Conditions. However, these Terms and Conditions do not limit any consumer rights to which you may be entitled to under mandatory consumer protection law of the country in which you reside.

If you are dissatisfied with the Services offered by MasterExchange, you must submit your complaint and any claim for compensation to MasterExchange without delay when you have identified the circumstance to which the complaint relates or when it would be considered on reasonable grounds that you should have identified it.

If you cannot reach an agreement with us or are not satisfied with the resolution of your query, you may refer to an Alternative Dispute Resolution (ADR) entity. Please note that you can file a complaint with The National Board for Consumer Disputes (ARN, Allmänna Reklamationsnämnden):

Website: <https://www.arn.se>,

E-mail address: arn@arn.se, and

Postal address: ARN, Box 174, 101 23, Stockholm Sverige.

You can also bring the complaint to the European Online Dispute Resolution (ODR) platform which is provided by the European Commission as an access to quality dispute resolution tools. The ODR platform is not connected to any trader and can be used in all EU languages. The detailed information and access to the platform can be found here: <https://ec.europa.eu/consumers/odr/main/?event=main.complaints.screeningphase>

MasterExchange may also institute legal proceedings at a court in another country where you are resident or have assets.

23. FORCE MAJEURE AND MATERIAL CHANGES

MasterExchange assumes no liability or responsibility for failures in providing the Services if they are caused by an event outside MasterExchange's control. These events include, but are not limited to i) weather conditions such as earthquakes, tidal waves, floods, or fire, ii) war, an epidemic or pandemic, hostilities, invasion, embargo, revolution, civil war, riot, strikes, lockouts, acts or threats of terrorism or commotion, iii) failures of systems, public or private telecommunication networks, communication lines, software, hardware or other equipment of the Services or any third-party service provider, or iv) third party force majeure. In case of any event such as these, MasterExchange will notify the User, as soon as

possible under the circumstances of the event, of what suitable arrangements we decide to implement.

In the event that a material change occurs that has a significant impact on MasterExchange's business, including, but not limited to, regulatory changes, loss of payment service provider, changes in legislation and/or regulation, or any other similar event, and such impact results in MasterExchange not being able to fulfill its obligations or otherwise provide the services per these Terms and Conditions, you grant, assuming such material change is not repaired within three (3) months from the date of occurrence, and both MasterExchange and Seppuku AB agree that additional time will not resolve the issue at hand, Seppuku AB, a limited liability company incorporated in Sweden with registered address Box 107, 182 05, Djursholm, Sweden and with company registration number 559428-396, the right to, on your behalf, sell your rights under the Royalty Share by way of public auction. The monies from such auction sale shall be distributed to the Users pro rata in relation to the quantity of Royalty Share(s) they own at the time of the sale.

If MasterExchange and Seppuku AB, upon the conclusion of the three (3) month period specified above, have not reached a mutual understanding on whether the material change can be adequately resolved within a reasonable timeframe, which shall not be longer than twelve (12) months, MasterExchange shall have the final decision regarding the auction sale, provided that such decision by MasterExchange is intended to enable MasterExchange to fulfill or otherwise perform its obligations, intends to benefit or is likely to benefit the Users. Throughout such a twelve (12) months period, MasterExchange must also ensure that the owners of Royalty Shares are able to receive the royalty distributions as detailed in the corresponding white paper. If MasterExchange, for whatever reason, is unable to distribute the corresponding royalty payments, the decision by MasterExchange shall, immediately upon such failure, become void and Seppuku AB shall conduct the auction sale as per the above.

If MasterExchange is not able to fulfill its obligations or otherwise provide the services per these Terms and Conditions due to insolvency or bankruptcy, Seppuku AB shall sell your rights under the Royalty Share by way of public auction. The monies from such auction sale shall be distributed to the Users pro rata in relation to the quantity of Royalty Share(s) they own at the time of the sale.

24. TERMINATION OF THE SERVICE AND ACCOUNT CLOSURE

MasterExchange reserves the right to, in its sole and absolute discretion and without advance notice, change, suspend, restrict, or terminate any aspect, content, or feature of the Services. The User will not be entitled to any repayment in case of such change, suspension, restriction or termination.

If you breach any provision of these Terms and Conditions or we have a reasonable ground to suspect that you have breached them, MasterExchange reserves the right to refuse your registration and to suspend or close your account. MasterExchange will automatically close your account if:

1. you, in conjunction with the opening of an account, provided incorrect information about yourself, or upon request by MasterExchange do not provide documentation substantiating the information submitted during registration; and/or
2. you breach the rules in the Terms and Conditions.

If your account is closed by MasterExchange due to any of the reasons mentioned above, you will forfeit, without compensation, any obtained Royalty Shares to the benefit of the Master Royalty Recipient. You will also forfeit any winnings from secondary trading and/or royalty distribution payments, and MasterExchange shall only pay back that which remains of your deposits.

25. CONTACT INFORMATION

If you have any questions about these Terms and Conditions or any other queries, please contact MasterExchange at contact@masterexchange.com, or:

MasterExchange Market AB
Box 107
182 05 Djursholm
Sweden