

## **Terms of Service**

**Last updated: (25/04/2019)**

### **General Terms of Use**

This is a contract between you and Alter Securities ("Alter Securities"). This website and its related services are owned and operated by Alter Securities. By clicking the "CREATE ACCOUNT" or "SIGN UP" button, or by accessing or using the services through altersecurities.com, or any associated websites, APIs, or mobile applications (collectively the "Site"), you agree that you have read, understood, and accept all of the terms and conditions contained in this Terms of Service. You should read the entire Terms of Service carefully before you use this Site.

Alter Securities in the Terms refers to the owner, also known as Alter Securities, including but not limited to its shareholders, board of directors, investors, employees or affiliates. Alter Securities can also mean the services, websites, contents and other information provided by Alter Securities.

Depending on Your country of residence, you may not be able to use all the functions of the Site. It is your responsibility to follow those rules and laws in Your country of residence and/or country from which You access this Site and Services. As long as you agree to and actually comply with these Terms of Use, Alter Securities grants to you a personal, non-exclusive, non-transferable, non-sublicensable and limited right to enter and use the Site and the Service.

Alter Securities reserves the right to alter, amend or modify these Terms from time to time, in our sole discretion. We will provide you with notice of such changes by providing notice on the Site and/or by posting the amended Terms via our Site and updating the "Last Updated" date at the top of these Terms. The amended Terms will be deemed effective immediately upon posting on the Site.

If you disagree with these Terms, Alter Securities' right to modification, or if the Terms is partially or completely excluded by the applicable laws in your jurisdiction, please **DO NOT ACCESS THE SITE OR USE THE SERVICES**.

These Terms of Use shall be governed by and construed in accordance with the laws of the of the Hong Kong SAR, unless otherwise expressly provided. All disputes and controversies arising out of or in connection with this website and these Terms of Use shall be submitted to the Court of Law in the Hong Kong SAR. If any portion of these Terms of Use shall be deemed invalid, void or for any reason unenforceable, such portion shall be deemed severable and shall not affect the validity and enforceability of any remaining portion.

### **Description of Services**

#### **OTC Marketplace platform**

Alter Securities is a peer-to-peer platform service that enables its users to buy and sell various instruments and/or contracts. The Site allows buyers ("Buyers") and sellers ("Sellers"), to buy and sell various instruments and/or contracts, and the services provided by the Site from time to time (the "Service").

Alter Securities also offers hosted digital wallet services. Our registered users are able to post offers to either buy or sell instruments and/or contracts via payment methods of their choice. The creator of the offer is responsible for listing terms of the trade. Once an offer is selected by another user, instrument and/or contract is held in our escrow service from the party that is selling it. The instrument and/or contract is released from escrow to the buyer by the seller once the buyer has completed the terms of the trade. The escrow is released back to the seller if the buyer chooses to cancel the trade. The seller may not cancel the trade at any point. The seller only has the option to release the instrument and/or contract from escrow to the buyer. This is for the security purposes of the buyer. Should a seller need to cancel the trade due to a buyer not following the terms of the trade, they must start a dispute and provide a reason for doing so.

### **Alter Securities Exchange platform**

Alter Securities also might provide online instrument and/or contract trading platform for various products. Alter Securities does not provide fiat trading capabilities on its platform and as such is not subjected to the stringent regulations that come with it. Alter Securities functions as a trading platform provider and is not a buyer or seller in trades made between traders. Alter Securities is also not a market maker. Traders must register and open an account with Alter Securities and deposit instrument and/or contract prior to commencement of trading. Traders may request the withdrawal of their instrument and/or contract, subject to the limitations as stated in verification clauses.

## **Eligibility**

By registering for an account or accessing the service of the Site (the “Service”), you represent and warrant that:

1. You are an individual, legal person or other organization with full legal capacity (“You”) to enter into this User Agreement between You and Alter Securities;
2. You are at least 18 years old or of the legal age in accordance to your relevant jurisdiction;
3. You have the full capacity to accept these Terms and enter into a transaction involving tradable instruments and/or contracts;
4. You cannot use your personal account to act as an intermediary or broker for any person;
5. If you are using the Services on behalf of a legal entity, You further represent and warrant that:
  - (1) The legal entity is duly organized and validly existing under the applicable laws of the jurisdiction of its organization, and
  - (2) You are duly authorized by such legal entity to act on its behalf.
6. You use our Services at your sole option, discretion and risk;
7. Your account has not previously been suspended or removed from using our Services;
8. You will operate only the instruments and/or contracts that belong to You;
9. You are acting on your own behalf, or are legally authorized to carry out the transactions;
10. All of the information You submit to the Site is accurate, current and complete, and will be updated upon request from Alter Securities;
11. You allow us to use your information to facilitate the operation of this Site;
12. You agree that You will not use the Service to perform criminal activity of any sort, including but not limited to, money laundering, illegal gambling operations, fraud, blackmail, funding terrorism, terrorist financing, or malicious hacking, and You will not engage in misconduct that may cause damage to Alter Securities’ reputation. We will report all criminal activities to the law enforcement agencies;
13. You agree to pay the fees for services completed via the Site as defined under Alter Securities’ published fee structure, which Alter Securities may change from time to time;

14. There are risks, associated with Internet-based system, such as the failure of hardware, software, and Internet connections, such as any malfunction, unintended function, unexpected functioning of or attack on the network and/or system;
15. You are responsible for maintaining adequate security and control of all codes or credentials that You use to access the services including but not limited to and or all usernames, passwords and two-factor authentication codes.
16. You further guarantee that You will not:
  - (1) Use our Services or will immediately cease using those if any applicable law in your country prohibits or will prohibit You at any time from doing so;
  - (2) Use our Services to participate in fraudulent, scam or any type of illegal activity;
  - (3) Provide false, inaccurate, fraudulent or misleading information;
  - (4) Attempt to modify, decompile, reverse-engineer or disassemble our software in any way;
  - (5) Use any robot, spider, crawler, scraper or other automated means or interface not provided by us to access the Services or to extract data;
  - (6) Attempt to circumvent any content filtering techniques we employ, or attempt to access any service or area of our Services that you are not authorized to access;
  - (7) Develop any third-party applications that interact with our Services without our prior written consent;
  - (8) Encourage or induce any third party to engage in any of the activities prohibited under this Section.
17. You shall take full responsibilities and liabilities for your behaviours at all times when using Alter Securities services and Alter Securities reserves the rights to claim damages against you.

## **Identity Verification**

With the aim to ensure Alter Securities remains a safe and reliable platform for all of our users we may require you to verify your identity to access part of the services we offer. Identity verification may be required when you create advertisements, pass certain trade volume limits, during trade disputes, fraud investigations, and to ensure account ownership. As part of our ID verification process we require you to provide us with your full name as well as documents and photographs that verify your identity.

In certain situations, we may require enhanced identity verification. This may include facial recognition, or requirements to verify details or sources of funds regarding payments you have made or received during trades on Alter Securities as well as instruments and/or contracts that you've sent or received from your Alter Securities account.

ID verified accounts have a clear owner which makes it easy to return access to you if you lose all access to your account. It is very hard or impossible to return access to accounts that are unverified, even if you know your username, as it is difficult to identify the original account owner.

When it is necessary, we may further request you provide such information for our partners, banks in cooperative relationships, or establish an account in such banks to comply with our Know Your Customer (KYC) and anti-money laundering policy.

If any holder of account on the Site ("Member") violates any provision in the Terms, his or her account, and the Service on the Site is likely to be frozen, cancelled or terminated, and the Member will be held liable for damages to Alter Securities or losses incurred to other Members.

## Account Management

The Site provides an online platform to facilitate trading for various instruments and/or contracts transaction between buyer and seller. Alter Securities is not a party to the contract of such transaction or any other contract between buyer and seller, and Alter Securities bears no legal liability for these contracts. Both parties shall take full responsibility arising from their contract and information regarding the publication of their trade. Alter Securities is not involved in any members' transaction and does not guarantee or otherwise acquiesce to guarantee any performance of such transaction. In the event shall disputes arise, buyers and sellers are responsible for resolving the disputes. However, if Alter Securities receives complaints or obtains any knowledge regarding any members being involved in fraud, transaction disputes or illegal misconduct, Alter Securities has the right to adopt necessary measures to protect its rights as well as rights of other members. Alter Securities can freeze the accounts involved in suspicious activities, screen out members and information or content provided by members. Alter Securities reserves the right to remove any content or information provided to the Site and does not ensure members will be able to complete transactions.

Alter Securities is highly concerned about the security of the Site and our Service. By registering on Alter Securities website, you agree to provide your latest and accurate personal information, and also agree to continue to update such information. You acknowledge you will not allow any others access into your account on the Site at any time. In the event you establish or access to a Alter Securities account without using the interface provided by Alter Securities, your account, Service, and transaction will be immediately suspended. Any intent to or assistance in carrying out misconduct by using an account, whether by using instruction manuals, software or tools will also result in termination of such account. Apart from terminating such account, Alter Securities may also take further actions to counter such violation.

You are also responsible for the maintenance of the security of your account information, including your password and transaction record. You shall ensure the safety and confidentiality of your login credential, and prevent any unauthorized access to your account. If Alter Securities learns of any suspicious activity in your account, we may exercise the right to freeze your account, and request additional information from you, including verification documents, for our further procedures. You are obligated to comply with such safety requests and agree for us to freeze your account. If you learn of any unauthorized use of your account or password, or violation of confidentiality agreement, please inform Alter Securities immediately via email [info@altersecurities.com](mailto:info@altersecurities.com). Any member who violates such rules is subject to termination of the account, and bears the damages and legal liability to Alter Securities and/or any other affected Members of the Site.

You agree and acknowledge you will not carry out any forms of criminal conduct by using the Service, including but not limited to money laundering, illegal gambling, financing terrorism or malicious hacking activity.

## Limitation, Suspension, and Termination of Your User Account

You can terminate the agreement with Alter Securities, and complete any unfinished transactions any time you wish.

You also agree Alter Securities has the right to, limit, suspend, or terminate your account or access to the services that we provide to you promptly following the occurrence of any matter set forth below,

1. Trying or assisting others to access other members' account on the Site without authorization;
2. Having registered two or more than two accounts simultaneously, or providing account for third party's use with or without compensation;
3. Making changes, deleting or demolishing data, content and equipment on the Site or causing adverse effect on the Site's business operation by using robot account or other method;
4. Modifying, deleting or collecting others' personal information without authorization by taking advantage of any existing defect of the Site, sabotaging or trespassing the security system;
5. Carrying out unlawful misconduct, including money laundering, illegal gambling, financing terrorism or other criminal activity;
6. Violation of the terms and conditions of use;
7. Defaulting on payment or conducting fraudulent transaction;
8. Difficulties in operation;
9. Make available content that is obscene, pornographic, racist, abusive, harassing, and threatening or is offensive, or behave in a way that libels, defames, stalks or invades privacy of other persons.

In the event when Alter Securities takes legal action at the request of any governmental authority or pursuant to the law, the matter shall be determined at Alter Securities' sole discretion.

You further agree that Alter Securities can terminate or suspend access to your account and the Site any time upon its sole discretion. If Alter Securities reckons that any member may cause any legal liability, or any member's conduct does not conform to the purpose of the Site (Alter Securities has sole discretion on this matter) it can exclude such member from the site by taking legal or technical measures. Alter Securities shall not be held liable for unilaterally suspending member's account or restricting member's access to the Site to any member or third party. Such suspension or restriction shall not affect the accounts payable accrued in past transaction or settlement of existing transaction. While your account is terminated or suspended, Alter Securities has the right to cancel or suspend ongoing transactions in such account, and Alter Securities shall not be held liable for any loss or damages arising from such cancellation or suspension.

## **Frozen Account**

Alter Securities may freeze, cancel or terminate any transaction or your account on the Site if any suspicious activity is detected in your account, or under the following circumstances:

1. Upon request of the government authorities in accordance to the law;
2. Upon suspicion of fraudulent activities or law violations;
3. When a mistake is found in the fund of the Members' account or at the request of the money transfer service supplier;
4. Notification from one of the other Members about trades;
5. Your violation of the Terms;
6. Your use or misuse of the Site or the Service;

Alter Securities may request additional information from you (including verification documents); it is your obligation to satisfy the foregoing security requirements, or accept the suspension or termination imposed by the Site. In the event of any unauthorized use of the account or password on the Site, please inform Alter Securities by emailing [info@altersecurities.com](mailto:info@altersecurities.com).

## Limited Right of Use

Alter Securities grants you a limited, nonexclusive, non-transferable license to access and use the Site; however, Alter Securities reserves the right to transfer all its rights, interests or obligations under these Terms to any person and these Terms shall continue to be in force and effect for the benefit of the successors and assigns of Alter Securities.

You may access and use the Site solely for the intended functions of the Service and other approved purposes as expressly permitted by Alter Securities. Any other use of the Site is expressly prohibited. When using the Site, you agree not to:

1. Attack the Site or decompile, reverse engineer, disassemble or decrypt the Site, or attempt to derive the source code of the Site;
2. Upload any material to the Site that contains computer viruses, Trojan horses or worms;
3. Make any modification, adaptation, improvement, enhancement, translation, or derivative work to or from the Site;
4. Use or attempt to use a web crawler on the Site;
5. Violate any applicable laws, rules or regulations;
6. Remove, alter, or obscure any proprietary notice of Alter Securities, its suppliers, partners, or licensors;
7. Cause a disproportionately large traffic on our infrastructure;
8. Use the Site for any other purpose for which it is not designed or intended;
9. Make the Site available over a network, or otherwise permitting access to or use thereof by multiple users at the same time;
10. Gain or attempt to gain, unauthorized access to the Site, accounts of other users or any other component of the Service;
11. Use the Site to send automated queries or commercial advertisements;
12. Make any unauthorized use of proprietary information or intellectual property of Alter Securities.

## Intellectual Property Rights

Your log into Alter Securities or use of any of the services offered by Alter Securities shall not be deemed as Alter Securities' authorization to transfer of any intellectual property to you.

You acknowledge and agree that software, program and content used or displayed on the Site, including but not limited to publication, image, file, information, data, structure of the Site, website layout, and website design are exclusively owned by Alter Securities or others which are protected by intellectual property and applicable laws including but not limited to trademark, patent, copyright, and trade secret.

No one can use, modify, reproduce, broadcast, publicly display and distribute, publish, disassemble and decode, or participate in the transfer or sale of, create derivative works from, or in any other way exploit any of the Content, in whole or in part without proper authorization.

If you wish to use the aforesaid software, program or website content, you are required to obtain prior written notice from the Site or others. You will be held liable for damages to Alter Securities (including but not limited to attorney's fee) in the event you violate such stipulation.

When a member uploads content to our Site (including but not limited to copyright, trademark or other contents), he or she gives a free license to Alter Securities to use such content for the purpose of operating our Site and providing Service. Member shall guarantee all contents posted or uploaded to the Site do not infringe any third party's copyright, trademark and other rights or interest. If such infringement takes place, the Member shall be responsible for all civil and criminal liability, and Alter Securities shall be held harmless and fully indemnified; if any loss occurs to Alter Securities, the member shall also liable for damages to Alter Securities (including but not limited to attorneys' fee). If any third party informs Alter Securities of the foregoing right infringement, Alter Securities may remove the content in dispute.

## **Non-investment Advice and Risk**

Alter Securities may provide the prices, volatility, relevant news or other information about the traded instruments and/or contracts. However, this should not be construed as investment advice but merely as an act of sharing information. You agree to not interpret the aforementioned data as investment advice.

The trading of goods and products, real or virtual, instruments and/or contracts involves significant risk. Prices can and do fluctuate on any given day. Due to such price fluctuations, you may increase or lose value in your assets at any given moment. Any currency and/or asset, instruments and/or contracts - virtual or not - may be subject to large swings in value and may even become worthless. There is an inherent risk that losses will occur as a result of buying, selling or trading anything on a market.

Traded instruments and/or contracts also have special risks not generally shared with official currencies or goods or commodities in a market. Unlike other instruments, which are backed by governments or other legal entities, or by commodities such as gold or silver, tradable instruments and/or contracts might be backed by technology and trust, or might be backed by nothing. There is no central bank that can take corrective measure to protect the value of tradable instruments and/or contracts in a crisis or issue more instruments and/or contracts.

Instead, some of the instruments and/or contracts are as-yet autonomous and largely unregulated worldwide systems. Traders put their trust in a digital, decentralized and partially anonymous system that relies on peer-to-peer networking.

Some of the instruments and/or contracts trading is probably susceptible to irrational (or rational) bubbles or loss of confidence, which could collapse demand relative to supply. For example, confidence might collapse in some instruments and/or contracts because of unexpected changes imposed by the software developers or others, a government crackdown, the creation of superior competing alternative instruments and/or contracts, or a deflationary or inflationary spiral. Confidence might also collapse because of technical problems: if the anonymity of the system is compromised, if money is lost or stolen, or if hackers or governments are able to prevent any transactions from settling.

There may be additional risks that we have not foreseen or identified in our Terms of Service.

You should carefully assess whether your financial situation and tolerance for risk is suitable for buying, selling or trading instruments and/or contracts.

## **Disclaimer**

We provide our Service in current condition for your use, and Alter Securities reserves the right to partially or completely modify the contents of the service at any time. Alter Securities does not expressly, imply or legally warrant, assert or state any guarantee regarding, including but not limited to, quality, performance, non-infringement, merchantability, fitness for a particular purpose, or any guarantee deriving from the course of transaction, practices or industrial guides. Subject to the foregoing, to the fullest extent of applicable law, Alter Securities does not guarantee that the Site, the Service and the content within the Service are accessible, non-interruptible, promptly provided, safe and reliable, correct, and complete. It also does not guarantee that any defects (if any) will be corrected, or the Site and the server is clear of any virus, bug, program lock, deadly device, Trojan Horse, routing, trap door, time bomb or any other malicious code, directive, program or component.

You shall have responsibility to ascertain whether the information you upload or publish is correct, and adopt pre-cautionary measures including backing-up the archive. Alter Securities is not responsible for any damages resulting from your use or inability to use the Site or the Service, and bears no obligation of notification. In the event any mistake occurs while handling your transaction, Alter Securities has the right to correct, remove, withdraw or delete the affected transaction, and Alter Securities will not be held liable for any damages caused to you.

You understand Alter Securities does not conduct prior review for content on the Site and has no comprehensive control over member's activities on the Site; thus, you agree to use your own judgement and bear all risk regarding any content on the Site, including the correctness, completeness and practicality of such content. However, Alter Securities has the discretion to remove any content violating the Terms or any content that causes displeasure in others. You acknowledge and agree that Alter Securities has the right, to the extent reasonable and necessary, to preserve the content on the Site and disclose to the government authority, judicial police, custodian of minors and relevant members, for the following purposes:

1. At the request of applicable law or government authority;
2. Necessary to provide the Service on the Site;
3. Necessary to prevent others' rights from substantial impairment;
4. To prevent users' and the public's life, body, freedom and rights from imminent danger;
5. To determine liability in a transaction dispute, Alter Securities is permitted to provide relevant transaction information;
6. Other circumstances Alter Securities deems necessary.

Alter Securities has the right to temporarily or permanently modify or terminate the Service on the Site (partially or completely) and shall not be held liable to you or any third party. You acknowledge that, within the fullest extent provided by applicable law, you shall personally bear the risk related to using the Site, the Service, or its efficacy.

Alter Securities has no control and in the fullest extent of applicable law, does not guarantee the matters set forth:

1. The purpose, existence, quality, safety or legality of instruments and/or contracts provided through the Site.
2. The capability of buyers to sell instruments and/or contracts, and sellers to make payment. You agree to bear the risk of dispute arising from using Alter Securities, and hold Alter Securities, and other relating parties harmless and indemnified regarding other claims, request or damages concerning such disputes.

Alter Securities does not own or control any of the underlying assets, instruments and/or contracts. Alter Securities does not make any guarantee of the functionality, security or availability.

Although Alter Securities uses commercially reasonable methods to provide exchange rate information to you through the Service, such information may differ from prevailing exchange rates made available by third parties. Moreover, the actual market rate at the time of your trade may be different from the indicated prevailing rate depending on the velocity of trading in the instruments and/or contracts involved in your trade. Alter Securities hereby disclaims all responsibility for any loss or damage arising from or relating to price fluctuations, latencies or differences in actual versus indicated prevailing rates.

## **Third-Party Content and Services**

This website may provide content of a third party or links to other external links, which may link to websites operated or marketed by other businesses. However, this does not imply that Alter Securities is associated with such businesses. Alter Securities does not control and endorse or guarantee the accuracy and intactness of the contents of a third party and its websites. Alter Securities is not responsible for the contents, privacy policies and practices of third-party websites. You shall bear any direct or indirect damages or losses arising out of your reliance on any content, product or services of such website or source, and Alter Securities is not liable for such losses. Alter Securities has no obligation to ensure that the links lead to completely risk-free websites. Sites other than this website may involve legal or other actual risks and you should take precautions to ensure that the website you opt to use is free of viruses, malicious programs, or other similar programs.

## **Safety Guarantee**

You shall be mindful of not disclosing or allowing others to access or use your account number and/or password. You shall also ensure that regardless of whether intentional or incidental, you do not disclose, provide your username and/or password to another person or cause such person to such use, and that you keep your account and password confidential. Please do not employ information that is easily distinguished, e.g., your birthday, telephone number, or other identifiable letters of your name as your account or password. It is your responsibility to notify Alter Securities immediately if you deem your account and/or password is disclosed to others, lost or stolen.

## **Taxation and Indemnification**

Members acknowledge and agree that all tax liabilities associated with the sale of instruments and/or contracts shall be borne by both the buyer and the seller in accordance with relevant laws, and Alter Securities does not provide any legal or taxation advice. In

addition, given that tax laws and regulations may be updated at any time, members shall immediately seek professional advice should he or she encounter any doubt. All tax related issues that you come across during transactions with or through Alter Securities are dealt in accordance with relevant laws such as Tax Law of the Hong Kong SAR. At the request of the tax authorities, this website shall provide the information of this website's users or withhold taxes of same.

You shall be responsible for any litigation, incurred liability for compensation, litigation costs, requests for compensation and any direct or indirect loss of Alter Securities resulting from your breaching of these Terms. You shall compensate all loss (attorneys' fees included) suffered by Alter Securities and its shareholders, employees, agents, affiliates and co-manufacturers.

You agree to indemnify and hold harmless Alter Securities, its affiliates, contractors, licensors, and their respective directors, officers, employees and agents from and against any claims and damages (including attorneys' fees, fines or penalties imposed by any regulatory authority) arising out of your breach or our enforcement of this Agreement. This shall also apply to your violation of any applicable law, regulation, or rights of any third party during your use of the Alter Securities Service.

## **Complaints and Resolution**

Members may utilize the complaint function to complain to Alter Securities of any disputes while using Alter Securities' services. Depending on the result of Alter Securities' investigation into the complaint, Alter Securities may, in its sole discretion, decided to cancel a buyer's order, release a seller's instruments and/or contracts, freeze Members' account, lock Members' instruments and/or contracts, remove advertisements, ban transactions, ban the redemption of instruments and/or contracts, or any other measures Alter Securities deems necessary. Alter Securities shall have final say in the resolution of the complaint, and the Members shall have no objection.

In the event any Member engages in fraud or any other unlawful act and is being investigated by the police or other law enforcement or judicial agency, Alter Securities will provide transaction records and the personal information (including personal identification card, bank account information that is on record) of the accused to the police or other law enforcement or judicial agency.

Where we fail to provide the Services or delay in providing such Services due to information network equipment maintenance, information network connectivity failures, errors in computer, communications or other systems, power failures, weather conditions, unexpected accidents, industrial actions, labour disputes, revolts, uprisings, riots, lack of productivity or production materials, fires, floods, storms, explosions, wars, failure on the part of banks or other partners, collapse of the underlying asset market, actions by government, judicial or administrative authorities, other acts that are not within our control or beyond our inability to control, or due to causes on the part of third parties, we shall not assume any responsibility for such failure to provide service or delay in providing services, or for the resultant loss you may sustain as a result of such failure or delay.

## **Severability**

If any provision of these Terms is deemed unlawful, void or unenforceable, then that provision shall be deemed severable from these Terms and will not affect the validity and enforceability of any remaining provisions.

## **Entire Agreement**

These Terms and any policies or operating rules posted by Alter Securities constitute the entire agreement and understanding between you and Alter Securities, and supersede any prior agreements, communications and proposals, in any form, between you and Alter Securities (including but not limited to any prior version of these Terms).

If you have any question or comment on these Terms, or if you are aware of any violation of these Terms by Alter Securities' affiliates, please contact Alter Securities at:

[info@altersecurities.com](mailto:info@altersecurities.com).