

## LACE PAPER WALLET BUG BOUNTY PROGRAM RULES

Thank you for your interest in participating in this Lace Paper Wallet Bug Bounty Program (“**Bug Bounty**”). IOG (defined below) recognizes the importance and value of security researchers’ efforts in keeping our community safe, and this Bug Bounty is part of our mission to provide the most trusted products and services in the blockchain space and beyond. We encourage responsible disclosure of security vulnerabilities via bug bounty programs, such as this Bug Bounty described below.

**PLEASE READ THESE LACE PAPER WALLET BUG BOUNTY PROGRAM RULES (“RULES”) CAREFULLY. BY PARTICIPATING IN THE BUG BOUNTY, EACH PARTICIPANT (“PARTICIPANT”, “YOU” OR “YOUR”) AGREES TO THESE RULES, WHICH CREATE A CONTRACT. WITHOUT LIMITATION, SUCH CONTRACT INCLUDES GRANTS OF RIGHTS AND INDEMNITIES TO IOHK USA LLC (“IOG”) FROM YOU, A CLASS ACTION WAIVER AND A LIMITATION OF YOUR RIGHTS AND REMEDIES. VOID WHERE PROHIBITED OR RESTRICTED BY LAW. SUBJECT TO ALL APPLICABLE FEDERAL, STATE AND LOCAL LAWS AND REGULATIONS.**

Your participation in the Bug Bounty and use of this website are each governed by the [Input Output Global, Inc. Privacy Policy](#) and related terms and conditions (collectively, the “**IOG Terms**”), together with the following Rules, which incorporate the IOG Terms by this reference. If any provision of the Rules conflicts with any provision of the IOG Terms, the Rules will prevail with respect to the Bug Bounty and any rewards issued in connection with the Bug Bounty.

**BUG BOUNTY DESCRIPTION:** The Bug Bounty begins on August 16, 2024 and ends on December 31, 2024 at 11:59 p.m. (all dates/times stated in these Rules are based on Mountain Standard Time (“**MST**”). The first eligible participant who submits to IOG proof of hacking into and gaining control (in accordance with these Rules) of one designated PGP-encrypted Lace paper wallet that is accessible at <https://www.lace.io/bugbountyprogram> (“**Paper Wallet**”) may be eligible to receive a monetary reward (as described in the Reward section below). Participation in the Bug Bounty does not constitute entry into any promotion, contest or sweepstakes. By participating in the Bug Bounty, each participant unconditionally accepts and agrees to comply with and abide by these Rules and the decisions of IOG, which will be final and binding in all respects.

**PARTICIPATION ELIGIBILITY:** Participation in the Bug Bounty is open to persons who are 18 years of age or older as of the date of participation and meet the eligibility requirements set forth in these Rules. All federal, state and local rules and regulations apply. The following parties are **NOT eligible to participate in the Bug Bounty or receive any rewards:** (a) individuals or entities located in, or holding an electronic wallet (“**wallet**”) that has transacted in, any jurisdiction that is the subject of any sanctions administered or enforced by the U.S. Department of Treasury’s Office of Foreign Assets Control, the United Nations Security Council, the European Union, Her Majesty’s Treasury or other relevant sanctions authority; (b) residents or citizens of Singapore; and (c) officers, directors and employees of IOG and its parent, subsidiaries, affiliates, advertising and promotion agencies (all such entities and individuals referred to in this (c), collectively, the “**Affiliated Entities**”), and each of their immediate family members and/or people living in the same household. Any participants who attempt to participate in the Bug Bounty in violation of these Rules will be ineligible to participate or receive rewards.

**HOW TO PARTICIPATE:** To participate in the Bug Bounty, you must access the Paper Wallet either by obtaining a physical copy of the Paper Wallet provided by IOG at designated locations (such as, for example, the Lace booth at Rare Evo 2024, taking place at Caesars Palace, 3570 S. Las Vegas Blvd., Paradise, Nevada 89109, U.S.A.) and scanning the QR codes therein or by clicking on the following link and following the instructions to access the Paper Wallet: <https://www.lace.io/bugbountyprogram>.

By participating in the Bug Bounty, you represent, warrant and covenant that: (a) your participation will not be in violation of any law or regulation; (b) you will not attempt non-technical attacks such as social engineering, phishing or physical attacks against IOG’s employees, users or infrastructure; (c) you will neither attempt to view, modify or damage data belonging to IOG or any other individual or entity nor attempt to access to the accounts and data of the foregoing, except to the extent permitted in connection with the Bug Bounty; (d) you will not intentionally harm the experience or usefulness of wallets or any IOG products to others, including degradation of services and denial of service attacks; (e) your participation, and publication of your participation, will not violate, misappropriate or otherwise infringe upon the intellectual property or other rights of any person or entity; (f) you will not directly or indirectly disclose the Vulnerability (as defined below) to any person or entity in any manner or on any medium until (i) IOG has evaluated and addressed the Vulnerability to its satisfaction in its discretion and (ii) IOG has notified you in writing that you may make such disclosure; (g) you meet the participation requirements set forth in these Rules; and (h) by submitting any information to IOG about the Paper Wallet and potential security vulnerabilities, you hereby grant to IOG and its designees a non-exclusive, worldwide, irrevocable, perpetual, royalty-free, fully-paid right and license to use such information for any purpose. Each participant will indemnify and hold harmless the Affiliated Entities from any claims arising out of or relating to any breach of these Rules.

IOG has the right to disqualify any participants and/or not issue any rewards to eligible participants that IOG has determined, in its sole and exclusive opinion, fail to adhere to these Rules or expose IOG to any unacceptable degree of technical, legal or financial risks or problems. IOG's decisions are final and binding with respect to all matters relating to the Bug Bounty.

**REWARDS & ELIGIBILITY:** Successful hacking into and gaining control of the Paper Wallet (the “Vulnerability”) must be evidenced by an eligible participant, at a minimum, (1) being able to restore the Paper Wallet and (2) proving access and control over a unique commemorative non-fungible token (NFT asset ID: 8fee7d51f77acb6f3b0f8b001b3b8b4c4bd2f28a49f1007a6a4dc5f74c41434531) (“NFT”) within the Paper Wallet by one or more verification methods stipulated by IOG. You acknowledge and agree that the NFT is for personal, commemorative, non-commercial use only and is not meant to be traded, resold or used for any other commercial purpose. To receive a reward, an eligible participant must meet all the following criteria:

- (a) Be the first person to notify IOG that you have successfully discovered the Vulnerability by contacting IOG [here](#) and providing the NFT asset ID within 30 calendar days after discovering the Vulnerability and no later than December 31, 2024 at 11:59 p.m. MST;
- (b) Provide a detailed description of and technical information on the Vulnerability, including, without limitation, how you identified the Vulnerability and specific steps to reproduce and validate the Vulnerability, and provide responses to IOG's requests for additional information as necessary;
- (c) Provide proof that you can restore the Paper Wallet;
- (d) Provide proof of access and control over the NFT within the Paper Wallet through one or more verification methods stipulated by IOG;
- (e) Provide your full first, middle and last name, physical address and other identification verification information or documentation as requested by IOG;
- (f) Provide all necessary tax-related information which may include, without limitation, a completed W9 (for a U.S.-based reward recipient) or a W-8Ben (for a non U.S.-based reward recipient);
- (g) Providing all other information and documentation requested by IOG; and
- (h) You must not have directly or indirectly disclosed the Vulnerability to any person or entity in any manner or on any medium until IOG has had a reasonable time to evaluate and address the Vulnerability to its satisfaction in its discretion.

If an eligible participant does not comply with the above requirements within 30 calendar days after the date such participant contacts IOG regarding successfully discovering the Vulnerability (see (a) of the “Rewards & Eligibility” section above), then such participant forfeits any rewards such participant may be eligible to receive. If a purported reward recipient is found to be ineligible to receive a reward, has not complied with these Rules or declines the reward for any reason, then such participant will immediately be disqualified from the Bug Bounty and will be ineligible to receive a reward. If an eligible participant meets all the following criteria, as determined by IOG in its sole discretion, then such participant will be eligible to receive 1M USDM (net of U.S. tax withholdings, as applicable) as a reward.

IOG's decisions are final and binding in all matters relating to the administration, operation and all other matters related to the Bug Bounty. A participant is not eligible to receive rewards unless and until the participants's eligibility and compliance with these Rules have been verified by IOG, in its sole discretion, and the participant has been notified that verification is complete. All details and other restrictions of rewards not specified in these Rules will be determined by IOG in its sole discretion. Any reward recipient will be solely responsible for all federal, state and local taxes, tax withholdings and the reporting consequences thereof, and for any transaction fees, currency exchange fees or other fees or costs associated with receiving a reward.

**PRIVACY:** The information provided by eligible participants to receive rewards (in accordance with the immediately foregoing section) will be used by IOG for the purposes of administering the Bug Bounty, and may be shared with its affiliates, subsidiaries, advertising, promotion and fulfillment agencies, legal advisors and service providers. Except as otherwise contemplated in these Rules, and to the extent reward recipients may otherwise elect at the time of attempting to redeem rewards, personal information collected in connection with the Bug Bounty will be used in accordance with IOG's Privacy Policy, located [here](#).

**PUBLICITY RELEASE:** Except to the extent prohibited or restricted by applicable law, your participation in the Bug Bounty constitutes your agreement, permission and consent for the Affiliated Entities and any of their designees to use, publish, copy, broadcast, display, distribute, use, edit, translate, alter, combine with other material, reuse and adapt, in their sole discretion, any or all portions of the details of your participation, your full name, city and province or territory of residence, biographical information, photographs or other likenesses, pictures, portraits, video, voice, testimonials and statements

made by you regarding the Bug Bounty or otherwise, worldwide and in perpetuity for any and all purposes, including, but not limited to, advertising, publicity, trade and promotion on behalf of the Affiliated Entities, in any and all forms of media, now known or hereafter devised, including, but not limited to, print, TV, radio, electronic, cable or World Wide Web (including, without limitation, the Affiliated Entities' website(s) or other social media pages and/or on certain third-party websites), without further limitation, restriction, compensation, notice, review or approval.

**ASSUMPTION OF RISKS RELATED TO CRYPTOCURRENCIES AND BLOCKCHAIN:**

You acknowledge and agree that any reward you receive is intended to be characterized as currency payments and not as securities under applicable law, and that digital currencies, such as USDM, may possess unique legal, tax and market risks when compared to traditional fiat currencies.

You further acknowledge and agree that there are risks associated with using cryptocurrency, including, but not limited to, the risk of hardware, software and Internet connections, the risk of malicious software introduction and the risk that third parties may obtain unauthorized access to information stored within an individual's wallet. The regulatory regime governing blockchain technologies, cryptocurrencies and tokens is uncertain, and new regulations or policies may materially adversely affect the potential utility or value of the USDM. ANY REWARD YOU RECEIVE, OR ANY TRANSFER OF A REWARD YOU MAKE, ACCEPT OR FACILITATE, WHETHER INSIDE OR OUTSIDE OF THE BUG BOUNTY, WILL BE ENTIRELY AT YOUR RISK. IOG DOES NOT CONTROL OR ENDORSE TRANSFERS OF USDM.

IF YOU RECEIVE A REWARD, YOU ACCEPT AND ACKNOWLEDGE THAT THE AFFILIATED ENTITIES WILL NOT BE RESPONSIBLE FOR ANY COMMUNICATION FAILURES, DISRUPTIONS, ERRORS, DISTORTIONS OR DELAYS YOU MAY EXPERIENCE WHEN USING YOUR WALLET. THE AFFILIATED ENTITIES ARE NOT RESPONSIBLE FOR LOSSES DUE TO BLOCKCHAINS OR ANY OTHER FEATURES OF ANY WALLETS, INCLUDING, BUT NOT LIMITED TO, LATE REPORT BY DEVELOPERS OR REPRESENTATIVES (OR NO REPORT AT ALL) OF ANY ISSUES WITH THE BLOCKCHAIN SUPPORTING THE WALLET, INCLUDING FORKS, TECHNICAL NODE ISSUES OR ANY OTHER ISSUES HAVING FUND LOSSES AS A RESULT. THE AFFILIATED ENTITIES WILL NOT BE RESPONSIBLE OR LIABLE TO ANY PARTICIPANT FOR ANY LOSSES YOU INCUR AS THE RESULT OF YOUR USE OF YOUR WALLET, INCLUDING, BUT NOT LIMITED TO, ANY LOSSES, DAMAGES OR CLAIMS ARISING FROM: (A) USER ERROR, SUCH AS FORGOTTEN PASSWORDS OR INCORRECTLY CONSTRUED SMART CONTRACTS OR OTHER TRANSACTIONS; (B) SERVER FAILURE OR DATA LOSS; (C) CORRUPTED WALLET FILES; OR (D) UNAUTHORIZED ACCESS OR ACTIVITIES BY THIRD PARTIES, INCLUDING, BUT NOT LIMITED TO, VIRUSES, PHISHING, BRUTE-FORCING OR OTHER MEANS OF ATTACK AGAINST ANY WALLET.

**GENERAL LIABILITY RELEASE:** Participants agree that the Affiliated Entities: (a) shall not be responsible or liable for, and are hereby released from, any and all costs, injuries, losses or damages of any kind, including, without limitation, death and bodily injury, due in whole or in part, directly or indirectly, to participation in the Bug Bounty or any Bug Bounty-related activity, or from an eligible participant's acceptance, receipt, possession and use or misuse of any reward; and (b) have not made any warranty, representation or guarantee express or implied, in fact or in law, with respect to any reward. The Affiliated Entities assume no responsibility for any damage to a participant's, or any other person's, computer system which is occasioned by accessing the websites necessary to participate in the Bug Bounty and/or to accept a reward (collectively, "Website"), or otherwise participating in the Bug Bounty, or for any computer system, phone line, hardware, software or program malfunctions, or other errors, failures, delayed computer transmissions or network connections that are human or technical in nature. Without limiting the generality of the foregoing, the Affiliated Entities are not responsible for incomplete, illegible, misdirected, misprinted, late, lost, damaged, stolen or postage-due reward notifications; or for lost, interrupted, inaccessible or unavailable networks, servers, satellites, Internet service providers, websites or other connections; or for miscommunications, failed, jumbled, scrambled, delayed or misdirected computer, telephone or cable transmissions; or for any technical malfunctions, failures, difficulties or other errors of any kind or nature; or for the incorrect or inaccurate capture of information, or the failure to capture any information. IOG reserves the right in its sole discretion to disqualify any individual who is found to be tampering with the participation process or the operation of the Bug Bounty or the Website, to be acting in violation of these Rules, or to be acting in an unsportsmanlike or disruptive manner, or with the intent to disrupt or undermine the legitimate operation of the Bug Bounty, or to annoy, abuse, threaten or harass any other person, and the Affiliated Entities reserve the right to seek damages and other remedies from any such person to the fullest extent permitted by law. IOG reserves the right to modify, extend, suspend or terminate the Bug Bounty, without prior notice, if it determines, in its sole discretion, that the Bug Bounty is technically impaired or corrupted or that fraud or technical problems, failures or malfunctions or other causes beyond IOG's control have destroyed or severely undermined or to any degree impaired the integrity, administration, security or feasibility of the Bug Bounty as contemplated herein. If IOG is prevented from continuing with the Bug Bounty as contemplated in these Rules or issuing any rewards by any event beyond its control, including but not limited to fire, flood, natural or man-made epidemic of health or other means, earthquake, explosion, labor dispute or strike, act of God or public enemy, satellite or equipment failure, riot

or civil disturbance, terrorist threat or activity, war (declared or undeclared) or any federal state or local government law, order, or regulation, public health crisis, order of any court or jurisdiction or other cause not reasonably within IOG's control (each a "Force Majeure" event or occurrence), then subject to any governmental approval which may be required, IOG will have the right to modify, suspend, extend or terminate the Bug Bounty. Only the type and quantity of rewards described in these Rules will be rewarded, if any. These Rules cannot be modified or amended in any way except in a written document issued in accordance with law by an authorized representative of IOG. The invalidity or unenforceability of any provision of these Rules will not affect the validity or enforceability of any other provision. If any provision is determined to be invalid or otherwise unenforceable or illegal, these Rules will otherwise remain in effect and will be construed in accordance with their terms as if the invalid or illegal provision were not contained herein. CAUTION: ANY ATTEMPT BY A PARTICIPANT OR ANY OTHER INDIVIDUAL TO DELIBERATELY DAMAGE ANY WEBSITE OR UNDERMINE THE LEGITIMATE OPERATION OF THE BUG BOUNTY IS A VIOLATION OF CRIMINAL AND CIVIL LAWS AND SHOULD SUCH AN ATTEMPT BE MADE, IOG RESERVES THE RIGHT TO SEEK DAMAGES FROM ANY SUCH INDIVIDUAL TO THE FULLEST EXTENT PERMITTED BY LAW.

**SOCIAL MEDIA DISCLOSURE:** The Bug Bounty is in no way sponsored, endorsed or administered by, or associated with Facebook, TikTok, Reddit, Instagram, X (formerly known as Twitter), YouTube, Google or any other social media or similar platform where the Bug Bounty may be promoted, advertised or otherwise used to disseminate information relating to the Bug Bounty. You understand that all information is being provided to IOG and not to Facebook, TikTok, Reddit, Instagram, X (formerly known as Twitter), YouTube, Google or any other social media where the Bug Bounty may be promoted, advertised or otherwise used to disseminate information relating to the Bug Bounty. The Affiliated Entities are not responsible for practices, terms or actions taken by any of these or other social media and web services sites. You understand that you are required to comply with terms and conditions of those social media platforms.

**GOVERNING LAW & JURISDICTION:** ALL ISSUES AND QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, INTERPRETATION AND ENFORCEABILITY OF THESE RULES OR THE RIGHTS AND OBLIGATIONS OF PARTICIPANTS OR IOG IN CONNECTION WITH THE BUG BOUNTY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY CHOICE OF LAW OF CONFLICT OF LAW RULES OR PROVISIONS THAT WOULD CAUSE THE APPLICATION OF ANY OTHER STATE'S LAWS. Except with respect to Arbitration Claims (as defined below), the parties: (a) irrevocably submit to the exclusive jurisdiction of the federal or state courts located in New York County in any action, suit or proceeding arising out of or relating to the Bug Bounty or these Rules, and irrevocably agree that venue shall lie exclusively in such courts; and (b) hereby waive any objection based on lack of personal jurisdiction or inconvenient forum.

**ARBITRATION PROVISION:** By participating in the Bug Bounty, you agree: (a) that any and all disputes you may have with, or claims you may have against, the Affiliated Entities relating to, arising out of or connected in any way with (i) the Bug Bounty, (ii) the issuance or receipt of any reward or (iii) the determination of the scope or applicability of this agreement to arbitrate ((a)(i)–(iii) collectively, the "Arbitration Claims"), will be resolved exclusively by final and binding arbitration administered by JAMS and conducted before a sole arbitrator in accordance with the rules of JAMS; (b) the arbitration shall be held in New York, New York and conducted in English; (c) the arbitrator's decision shall be controlled by the terms and conditions of these Rules and any of the other agreements referenced herein that the applicable participant may have entered into in connection with the Bug Bounty; (d) the arbitrator shall apply New York law consistent with the Federal Arbitration Act and applicable statutes of limitations, and shall honor claims of privilege recognized at law; (e) there will be no authority for any claims to be arbitrated on a class or representative basis; arbitration can decide only your and the Affiliated Entities' individual claims; the arbitrator may not consolidate or join the claims of other persons or parties who may be similarly situated; (f) the arbitrator will not have the power to award punitive damages against you or the Affiliated Entities; (g) if the administrative fees and deposits that must be paid to initiate arbitration against an Affiliated Entity exceed \$125 USD, and you are unable (or not required under the rules of JAMS) to pay any fees and deposits that exceed this amount, then the applicable Affiliated Entity agrees to pay them or forward them on your behalf, subject to ultimate allocation by the arbitrator; (h) if you are able to demonstrate that the costs of arbitration will be prohibitive as compared to the costs of litigation, then the applicable Affiliated Entity will pay as much of your filing and hearing fees in connection with the arbitration as the arbitrator deems necessary to prevent the arbitration from being cost-prohibitive; and (i) with the exception of subpart (e) above, if any part of this arbitration provision is deemed to be invalid, unenforceable or illegal, or otherwise conflicts with the rules of JAMS, then the balance of this arbitration provision will remain in effect and will be construed in accordance with its terms as if the invalid, unenforceable, illegal or conflicting provision were not contained herein. If, however, subpart (e) is found to be invalid, unenforceable or illegal, then the entirety of this arbitration provision shall be null and void, and neither you nor the Affiliated Entities will be entitled to arbitrate the dispute. For more information on JAMS and/or the rules of JAMS, visit their website at [www.jamsadr.com](http://www.jamsadr.com).