

Risk Disclosure for Trading Digital Assets with MEXC Global Trust Company Through AI CAPITAL Corporation's Platform and Interface

Important Information Regarding Trading Digital Assets with MEXC Global Trust Company

AI CAPITAL Corporation ("AI CAPITAL") offers customers with FX trading accounts at AI CAPITAL the ability to access digital asset trading and custody services (the "MEXC Global Services") in an account in customer's name (the "MEXC Global Account") at MEXC Global Trust Company, LLC ("MEXC Global") through AI CAPITAL's electronic trading platform and interface. The digital assets in your MEXC Global Account are maintained at MEXC Global while all other assets are carried in your AI CAPITAL account. You should carefully consider the risks below before making a decision to utilize the MEXC Global Services.

Trading Digital Assets is Risky. Digital asset prices are highly volatile and can rise or fall dramatically and quickly. If you hold a position in digital assets and the value of the asset falls, you can lose money. The use of digital currencies may result in a financial loss at the time such currencies are exchanged for fiat currency due to an unfavorable exchange rate. You should carefully consider your financial circumstances and your risk tolerance before trading digital assets with MEXC Global and you should not trade digital assets unless you have the financial capability to sustain losses if they occur. The use of any investment strategies and techniques is at your sole discretion and there may be additional unforeseen risks when trading digital assets. You should be aware that you may sustain a total loss of the assets in your MEXC Global Account.

No Investment Advice, Recommendations, or Tax Advice. AI CAPITAL does not provide investment, legal, tax, or trading advice or recommendations. By making digital assets available to you, neither AI CAPITAL nor MEXC Global makes any assessment, representation, or warranty concerning the appropriateness or suitability of digital assets for your financial circumstances. The MEXC Global Services are "execution only". AI CAPITAL and MEXC Global will not advise you on any transaction and you take full responsibility for your trading actions. Neither AI CAPITAL nor MEXC Global will assess whether your transactions are suitable for you or help you avoid losses. You should obtain your own financial, legal, taxation, and other professional advice as to whether digital assets are appropriate investments for you.

Digital Asset Holdings Are Not Covered By FDIC or SIPC. By offering customers the ability to trade digital assets through a cryptocurrency broker/custodian which is suitably licensed, customers have separate accounts in their own name. These cryptocurrency broker/custodians are not broker-dealers, and digital assets are not securities; therefore, SIPC coverage does not apply to accounts at cryptocurrency broker/custodians. Likewise, most cryptocurrency broker/custodians are not insured banks, and digital assets are not cash; therefore, FDIC coverage does not apply to accounts at cryptocurrency broker/custodians.



AI CAPITAL has selected MEXC Global as the cryptocurrency broker/custodian with which to work. By requesting trading permissions for digital assets through AI CAPITAL's platform, you are opening an account in your name at MEXC Global (the previously mentioned MEXC Global Account). All trading you do in digital assets through AI CAPITAL's platform will be executed in your MEXC Global Account (and not an account at AI CAPITAL), and MEXC Global will be your custodian and counterparty for those trades, which means that MEXC Global holds your digital assets for you and represents your ownership of them on their internal ledger. **As explained above, the holdings in your MEXC Global Account are not protected by FDIC or SIPC insurance in the event of MEXC Global' or AI CAPITAL's insolvency.**

Notwithstanding the above, because AI CAPITAL is a member of the National Futures Association ("NFA"), AI CAPITAL is required to provide you with the following disclosure in connection with trading digital assets, or "virtual currencies".

AI CAPITAL CORPORATION IS A MEMBER OF NFA AND IS SUBJECT TO THE NFA'S REGULATORY OVERSIGHT AND EXAMINATIONS. HOWEVER, YOU SHOULD BE AWARE THAT NFA DOES NOT HAVE REGULATORY OVERSIGHT AUTHORITY OVER UNDERLYING OR SPOT VIRTUAL CURRENCY PRODUCTS OR TRANSACTIONS OR VIRTUAL CURRENCY EXCHANGES, CUSTODIANS OR MARKETS.

MEXC Global is not an NFA Member. MEXC Global is not an NFA member and is not subject to the NFA's regulatory oversight and examinations.

Trading Hours May Be Limited. Digital assets generally trade 24/7, and their prices may change dramatically over the weekend. But your ability to access your MEXC Global Account through AI CAPITAL's platform, including purchasing or selling digital assets over the weekend, may be limited, most notably due to planned maintenance hours. Please visit AI CAPITAL's website for additional detail on trading hour limitations.

The Digital Asset Market Is Highly Speculative And Extremely Volatile. The market for digital assets can be extremely volatile. The price of digital assets may be influenced by, among other things, volatile market price swings or flash crashes, market manipulation, and cybersecurity risks; the performance of the economy as a whole; new or amended government regulation; the changing supply and demand relationships for digital assets; governmental, commercial and trade programs and policies; interest rates; technological developments; inflation; national and international political and economic events; statements by internet celebrities; social media sentiment; and the prevailing psychological characteristics of the relevant marketplace.

Digital Assets Custodied with MEXC Global Will Have No Margin Value In Your AI CAPITAL Account. The digital assets custodied in your MEXC Global Account will not be assigned any margin value. Such digital assets will not be considered in determining your AI



CAPITAL account's compliance with margin requirements. If you have insufficient equity in your AI CAPITAL account to meet your FX margin requirements, the assets in your AI CAPITAL account may be liquidated per our standard margin closeout process.

Digital Assets Carry Liquidity Risk. MEXC Global is not obligated to provide quotes for digital assets at any time, and neither MEXC Global nor AI CAPITAL guarantee the continuous availability of quotations or trading for digital assets on MEXC Global' or any other digital asset exchanges. MEXC Global may in its sole discretion cease quoting digital assets and/or cease entering new digital asset transactions at any time.

You Will Pay Commissions For Trading Digital Assets. MEXC Global will charge commissions on your digital asset trades. For more details on the commissions, please see AI CAPITAL's website.

Your Agreement with MEXC Global Governs Your MEXC Global Account. Your MEXC Global Account is governed by the MEXC Global Terms & Conditions ("MEXC Global T&Cs"). You should read the MEXC Global T&Cs carefully and understand the terms of your relationship with MEXC Global.

You Are Not Permitted to Short Digital Assets. Short sales of digital assets in your MEXC Global Account are prohibited. The inability to open short digital asset positions may negatively impact your ability to protect against trading losses.

The Digital Assets Available to You Are Limited and Subject to Change. The digital assets available for trading in your MEXC Global Account are limited. MEXC Global or AI CAPITAL may further limit the available digital assets to be traded via the AI CAPITAL platform at their own discretion and without prior notice to you. A complete list of available digital assets that may be purchased in your MEXC Global account through AI CAPITAL's platform is available on AI CAPITAL's website.

Risk of Disruption or Interruption of Access to MEXC Global Account. Both AI CAPITAL and MEXC Global rely on computer software, hardware, and telecommunications infrastructure and networking to provide their respective services to you, and without these systems neither can provide you with the access to your respective accounts. These computer-based systems and services are inherently vulnerable to disruption, delay or failure, which may cause you to lose access to the AI CAPITAL trading platform and thereby your MEXC Global Account or may cause AI CAPITAL or MEXC Global not to be able to provide digital asset quotations or trading or may negatively affect any or all aspects of MEXC Global' services. Under AI CAPITAL's Customer Agreement, you accept the AI CAPITAL systems and services "as is" and AI CAPITAL's liability to you is limited.

Potential Conflicts of Interest. By partnering with MEXC Global to offer digital asset trading to its customers, AI CAPITAL may benefit financially in the form of fees collected from customer



transactions. AI CAPITAL is not a party to any transactions in digital assets that may occur through MEXC Global.

As of October 2022