GENERAL TERMS OF OPERATION

V1.0 01.02.2021

§1 General Principles; Scope of Application

1. The following General Terms of Operation ("GTO") shall apply to any use of the mining pools ("Pools") by users ("Miners") offered over the website https://ezil.me ("Website") concerning the mining of the cryptocurrencies "Ethereum", "Ethereum Classic" and "Zilliqa" and operated by the pool operator, Mechanizm Computing OÜ, the company established and operated in accordance with the laws of Republic of Estonia, Registry code: 16122745, registered at: Harju maakond, Tallinn, Kesklinna linnaosa, Narva mnt 5, 10117 ("PO").

2. By accessing and using the Pools, by the registration of a new user's account as well as by any subsequent provision of mining as defied in the GTO, the Miner shall confirm that he/she have read these GTO and accept and agree to be bound by its provisions as well as with any subsequent terms and conditions to which these GTO refer.

Any factual participation in the pools will constitute such acceptance.

If the Miners do not agree to be obliged by these GTO, the Miners are not allowed to use the Pools, which they acknowledge, and in such case, they shall undertake to delete their respective user's account immediately and leave the Pools Website.

3. To access the pool, you enter your specific addresses associated with your wallets. The website https://ezil.me refer to Ethereum + Zilliqa, Ethereum Classic + Zilliqa mining pools and require Zilliqa and Ethereum or Zilliqa and Ethereum Classic address. To use the Pools, a mining software working with the operating system on your computer is necessary.

4. In order to use the Pools as defined below and operated via the Websites you must be at least sixteen (16) years old. By using the Pools, you confirm to have reached the age of sixteen (16).

5. The GTO govern the respective Miners' rights and obligations in relation to the provisions of computing power (mining) on Pools' platform designed for joint cryptocurrency mining.

6. The Miner acknowledges that these GTO and any subsequent terms and conditions issued by the Pool Operator may be unilaterally modified or amended by the operator at any time and that the Pool Operator shall always notify the Miner of such modification in advance.

§2 Definitions

2.1 *Blocks & Transactions*: Transaction data is permanently recorded in files called blocks.

Blocks are organized into a linear sequence over time also known as the «Blockchain».

New transactions are constantly being processed by Miners via new blocks which are added to the end of the chain and can never be changed or removed once accepted by the network.

Each block contains, *inter alia*, a record of some or all recent transactions, and a reference to the block that came immediately before it.

Transactions shall be broadcast to the network by the sender, and all peers trying to solve blocks collect the transaction records and add them to the block they are working to solve.

Miners shall get incentive to include transactions in their blocks because of attached transaction fees as defined in §7 of the GTO below.

2.2 *Uncles* are orphaned blocks that contribute to the security of the main chain but are not considered the canonical "truth" for that particular chain height. They only exist in Ethereum-based cryptocurrencies.

2.3 *Blockchain* is a decentralized and continually updated list of transactions occurring across a certain peer-to-peer network. Blocks of transactions are validated and linked together by specific methods of cryptography.

2.4 *Mining* is a process of adding transaction records to a cryptocurrencies' public ledger of past transactions. This ledger of past transactions is called the blockchain (as defined above in Clause 2.3) as it is a chain of blocks.

For the purpose of these GTO "Mining" means a process based on probabilistic computing, in which the Miners shall perform mathematical operations to verify and add the transactions in a form of so-called blocks to the public ledger (blockchain) of the respective cryptocurrency, for which they are rewarded with a certain amount of prospective cryptocurrency and certain amount of transaction fees, calculated in accordance with the payout scheme as defined in these GTO and further referred **in the User's Guide published on the Website.** The risks and acknowledgements affiliated with the high probability of the mining process and expected results are provided further in §8 of these GTO.

2.5. *Mining Reward Scheme and Miner's Incentives.* Each cryptocurrency defines a unique mining reward scheme which is defined in **the User's Guide.** The PO reserves the right to apply individual incentives (including but not limited to the promocodes, cash-back etc.) for marketing and promotion purposes at its own discretion.

2.6 *Ethereum* and *Ethereum Classic* is an open-source project establishing a decentralized platform running applications exactly as programmed. Downtime, censorship, fraud and third-party interference are not possible according to the developers. For Ethereum or Ethereum Classic, they can be thought of as the individual pages of a city recorder's record book or a stock transaction ledger.

2.7. *Zilliqa ("ZIL")* is a decentralized and open-source cryptocurrency with increased throughput, which is dividing the mining network into smaller consensus groups („Shards "), as further defined **in the User's Guide**.

2.8 *Mining pools* pursue the objective to solve blocks more quickly and split the rewards equally. Participants of a mining pool who present a valid proof of work are to be awarded a "Share".

2.9. *Share* is a hash, smaller than a specified difficulty, but generally without value as only the hash smaller than the target value solving a block and determined by difficulty is of importance. Mining pools are available in a range of forms and arrangements as well as for different types of cryptocurrency. Depending on the mining pool, various

payout schemes may be applied, whereby those of relevance will be outlined under § 4 of the GTO below.

2.10 *Share* shall be awarded by the mining pool to the Users who present a valid proof of work of the same type as the proof of work that is used for creating blocks, but of lesser difficulty, so that it requires less time on average to generate.

2.11 *Wallet* is the term to describe the digital environment to access and spend cryptocurrency. A secure private key with a corresponding public key is required to sign and verify transactions. Wallets are associated with a specific address ("Address") and can be created, maintained and stored in various digital forms, including but not limited to desktop, mobile, web and hardware wallets.

2.12. KYC procedure means a procedure aimed at determining the identity of an individual user or an organization. The KYC procedure may be conducted by the PO via third party service provider in accordance with the applicable GDPR protection measures and applicable **Privacy Policy**. The PO shall reserve the right to complete this KYC procedure before enabling some or all functionalities of the Pools.

2.13 The *Botnets* refer to computers used for mining, although their actual owners are unaware of it.

§ 3   Technical Requirements

3.1 The Miners shall ensure the compliance of their equipment with the certain hardware, software and relevant technical requirements to use the mining Pools and support a high level of power consumption. The PO provides for the process of mining to be conducted using the specialized software enable for various operating systems.

3.2. Any failure of the Miner's/User's equipment, hardware, software as well as any other technology, energy supply does not cause the liability of a PO in accordance with § 4 and §8 of the GTO below.

§4 Liability

4.1 Nothing in these GTO shall limit any liability of either party and/or participant for fraud or fraudulent misrepresentation as well as intentional or grossly negligent infliction of damage by the PO.

4.2 The PO shall continually implement and maintain security standards complying with the latest state-of-the-art technology. The Pools shall be designed in a way to enable processing of pay out the Rewards (as defined above) as soon as possible in order to keep the pool balance low.

4.3 Despite the protective mechanisms as determined in GTO, the PO cannot fully guarantee that the Websites will never be subject to hacker attacks or similar technology failures and/or problems.

The PO shall not be obliged to compensate any losses, included lost profit due to stolen pool balance or temporary unavailability of the Pools. The PO explicitly reserves the right to shut down Pools from time to time for maintenance reasons.

4.4 The PO shall not be liable for any damages of the Miners' hardware, including but not limited to computer and its components, or software, including but not limited to operating system, data bases, programs, stored data etc., occurred while using the Pools as provided by the respective Indemnity provisions set forth in §5 of these GTO

The PO shall undertake technically reasonable measures to prevent the risks of the failures of the respective software, hardware, equipment and technologies and provide timely notification to the Miners upon identification of such failures to the extend provided by the provisions of the GTO.

As the hardware setup of each Miner is individually compiled, the Miner must acknowledge and accept the risk associated with such high electrical load and ensure compliance with the technical requirements in accordance with §3 above of the GTO.

4.5 The PO shall not be held liable for the failures of the software caused by unauthorized access, malicious use and so-called hacker attacks on the system that may also cause data loss. As far as personal data is collected as set in § 6 of the GTO below, the PO shall not be held liable for any loss that cannot be reduced by security means or other due measures undertaken by the PO.

§5 Indemnity

5.1. The Miner hereby indemnify the Pools Operator, to the maximum extent permitted by applicable, against the right to claim damages incurred in connection with the Pools Operator as well as damages incurred in relation to any other Pool activity or in relation to information published on the Pool Website and also any other related damages, in

particular the damages (loss of earnings) incurred as a result of non-fulfillment of Miner's expectations regarding the amount of remuneration for the provided services, a complete failure to provide a remuneration, damages to software or hardware of the Miner and also damages incurred in relation to any loss of data on the hardware and software components of the Miner.

5.2. The Miner hereby acknowledges, that the mining process is very demanding on the computation power of the hardware, which can cause an increase of the level of electricity supply consumption and accelerate a wear on some of the hardware components. The Pool Operator shall not be liable for any such costs, wear and tear or damages incurred thereby.

5.3. The Miner hereby agrees and acknowledges that they are solely responsible for setting up their hardware device and other equipment used for providing the computing power for the Pools mining, as well as for any possible damage of its hardware components, that may result from incorrect or incomplete settings. The Miner hereby indemnify the Pool Operator against any liability claims for damages caused by failure of the Miner's hardware device and/or equipment as defined in § 5.

5.4 The Miner hereby agrees and acknowledges the experimental nature of cryptocurrency related software as referred to Ethereum, Ethereum Classic and Zilliqa. Thereby, the Miner shall indemnify the PO against any claims for damages or loss caused due to unforeseeable failures and/or errors of the underlying software as specified in § 8 of the GTO.

§6 Personal Data

6.1. Any collection, processing, storage, operating and transfer of the Miner's personal data collected by the Pools Operator due to the respective Pool activities, in particular personal data specified by the Miner at the moment of creation of their user account, shall be conducted and governed by separate set of terms on handling the personal data of Miners, in compliance with the applicable laws, GDPR provisions as well as in accordance with the Privacy Policy which will be published by the Pools Operator on the Website.

6.2. The Mining Operator shall not be held liable for any collection, processing, storage, operating and transfer of the Miner's personal data by any third party in case the respective third-party software is used to perform Mining, as well as the Operator shall not be held liable for any functionality of such software or for its direct or indirect effects on the Miner´s hardware components, fully or in part.

§7 Terms of Payment

7.1 The PO shall not be responsible for any costs incurred due to the high level of electricity supply consumed by Miner's equipment and computer hardware (including CPU, GPU). All such costs and expenses are to be beared+ by the Miner.   The pools are conducted at the sole discretion of the user in type, extent and frequency.

7.2 Depending on the offer of each Pool, payout schemes may differ and determined as follows:

      7.2.1**. Ethereum + Zilliqa mining pool** will use the following payout schemes:

- Pay Per Share Plus ("PPS+") for Ethereum part and
- PPLNS for Zilliqa.

a)   **PPS+** reward system shall be determined as a 2-part system, where pool accrual an automatically calculated amount of Ethereum for each valid submitted shares for Ethereum blockchain job for each 30 minutes based on the block reward   without transaction fees and network difficulty for these 30 minutes to Miner   account, and

b)   it also pays transaction fees for each mined block by the pool using is round based reward system which called Pay Per Last N Shares ("PPLNS").

c)   **PPLNS is** a reward system whereby one round has an arbitrary number (N) of minutes. When a block has been found by the pool, the transactions fees rewarded in the block is distributed according to the number and difficulty of the shares submitted during the 30 minutes.

d)   Payout takes place at 6:00 UTC after the minimum payout amount has been reached.

      7.2.2. The payout threshold shall be customizable as follows:

- "Etherium":   -   minimum 0,05 "Ether"
  -       maximum 10 "Ether"

- "Ziliqa":   -   minimum 30 "ZIL"
  -       maximum 10000 "ZIL"

7.2.3. The PO reserves the right to pay out any unpaid balances for accounts that   have not reached the payout threshold.

7.2.4. **Ethereum Classic + Zilliqa** mining pool will use the PPLNS payout scheme defined as follows:

a)   The payout scheme is applied in a similar way as described in Clause 7.2.1 above.

b)   The payout threshold shall be customizable as follows:

- "Etherium Classic":   - minimum 0,1 "ETC"
                                          - maximum 400 "ETC"

- "Ziliqa":   -   minimum 30 "ZIL"
                                  -        maximum 10000 "ZIL"

c)   Payout takes place each day at 6:00 UTC after the customizable minimum payout amount has been reached.

d)   The PO reserves the right to pay out any unpaid balances for accounts that have not reached the payout threshold. Zilliqa is distributed by the same PPLNS system using shares submitted to Zilliqa jobs sent by the pool.

e)   The PO reserves a right to change the respective measurements and calculation parameters of the PPS+, PPLNS at its own discretion, subject to prior notification   o f the Miners published on the Website.

7.3 The pool fee to be disbursed by the PO shall be equal to the amount of 1% calculated from the total amount of the mining rewards as defined by the cryptocurrency consensus protocol in accordance with **the User's Guide**.

7.4 Network transaction fees of the pool payout transactions shall be paid by the PO to the specified Miner's account.

§8 Risks and Acknowledgments

1. **The Miner hereby acknowledges, that the result of the mining is unforeseeable and cannot be precisely forecast, therefore, the amount of the Miner´s remuneration is variable.**

2. **The Miner hereby acknowledge that, due to the high probability and unpredictability of the mining process which depends on various external factors (i.e., Miners' equipment, energy supply resources, network capacity etc.), the mining results may not, under certain circumstances, match the Miners' expectations. In this case, the Miners shall indemnify the PO against any liability claim as it further provides in §5 of these GTO above.**

3. **The Miner hereby acknowledges, that the PO cannot provide regular, full or partial guarantee with respect to the remuneration under certain circumstances,**

4. **The Miner hereby acknowledges, that neither the Mining Pools platform, nor the user account is an electronic wallet aimed to store and the respective Miner´s cryptocurrencies.**

5. **REGULATORY RISK. The Miner hereby agree and accept, that there is a risk affiliated with the legislation implemented in future which can impose restrictions, limitations and/or prohibitions applied to the certain aspects of blockchain technology which may cause the respective restrictions, limitation or prohibition of the Mining Pools, and that the Miner has been duly informed and warned about this.**

6. **RISK OF HACKING. The Miner hereby agree and accept, that there is a risk affiliated with unauthorized access and/or hacking the Mining Pools and that the Miner has been duly informed and warned about it. For the purpose of the GTO hacking means the attempts conducted by hackers and/or other groups or organizations for the purpose to interfere with the Pools, Wallet in any way, including but not limited to the denial of using attacks, spoofing, smurfing, malware attacks, mining attached or consensus-based attacks.**

7. **CRYPTOCURRENCY RISK. The Miner hereby agree and accept, that there is a risk affiliated with the specified cryptocurrencies which are used as a payment method and that the Miner has been fully informed and warned about it. The cryptocurrencies specified in the GTO constitute the highly risky digital assets that are prone to, without limitation, value fluctuation and volatility, transactional costs and time uncertainty, lack of liquidity, availability, regulatory restrictions and unpredictability, policy changes and security risks.**

§9 Force Majeure

9.1. For the purpose of these GTO force majeure means any governmental or relevant regulatory act or regulations, acts of God, war, rite, civil unrest, fire, flood or any other disaster, including but not limited to the strike, pandemic, and similar event which is

beyond the reasonable control of either party, the PO and/or Miners, that materially affects the performance of any of the respective obligations of the PO under these GTO and could not reasonably have been foreseen or prevented.

9.2. Under any of the force majeure circumstances, as specified in §9, a party of the GTO will not be held liable for any failure of or delay in the performance of its respective obligations under the GTO.

9.3. Any act, event, omission, happening or non-happening will only be considered Force Majeure if it is not attributable to the willful act, neglect or failure to take reasonable precautions of the affected party, its agents, employees, consultants, contractors and sub-contractors.

§10 Severability Clause

10.1 In the event that any provision or any part of any provision set forth in these GTO shall be void or unenforceable for any reason whatsoever, then such provision shall be declared stricken and no longer in force and effect. Unless such stricken provision materially affects the nature of the consideration agreed by the parties of the GTO, the remaining provisions of these GTO shall remain in full force and effect, and to the extent required, shall be modified to preserve their validity.

§11 Miscellaneous

11.1. So called Botnets are strictly prohibited from participating in the mining Pools.

11.2. The PO shall reserve the right to exclude Workers from using the Pool without prior notice. The PO may change these GTO if it is considered necessary.

The continued use of the Pool by the respective Miner will be deemed as acceptance to any adjustment of the terms and conditions of these GTO. The PO shall provide necessary notification and update the text of the GTO expressly on the Website.

11.3. The Miner shall ensure and maintain the sufficient security measures to protect its computers and hardware against harmful effect of the Botnet.

11.4 The Pool Operator may disclose the specific calculation mechanism of the remuneration and/or payout schemes as well as any modifications thereof, upon authorized requests and in compliance with applicable laws and regulations.

§12 Governing Law and Disputes Resolution

12.1 These GTO are exclusively governed by and construed in accordance with current laws of Estonia.

12.2. Any dispute, controversy or claim arising under, out of or relating to these GTO t and any subsequent amendments of the terms of these GTO, shall be submitted to mediation in accordance with the WIPO Mediation Rules (the "WIPO Mediation") The place of mediation shall be Tallinn (Estonia). The language to be used in the mediation shall be English.

12.3. In the event of failure to resolve the dispute, controversy or claim by means of the WIPO Mediation, it shall be submitted to the Court of Arbitration of the Estonian Chamber of Commerce to the extent a choice of law is permitted.