# Risk Disclosure Policy

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## 1. INTRODUCTION

This is the Risk Disclosure Policy (“Policy”) of the NovaLink entities. It is a group-wide policy adopted by each entity listed in the Corporate Structure & Entity Register (NL-ORG-01) (together, the “Company”). This Policy informs users of the potential risks involved in the use of the NovaLink Platform (the “Platform”) and the engagement in transactions involving digital assets, including but not limited to USDN and the US-dollar-pegged USDN and any stablecoin used for its redemption (collectively, “Digital Assets”). This Policy provides important information about the nature, risks, and responsibilities associated with participating in the Platform.

Risks specific to community participation, rewards and compensation are additionally addressed in the agreements of your Community Operator, published on your community platform.

It is important to carefully review this document to fully understand the limitations, liabilities, and uncertainties that may arise. By accessing and using the Platform, you acknowledge and agree that you have read, understood, and accepted all risks outlined herein and accept full responsibility for all related consequences.

It is critical that you fully understand and consider the following risks before using the Platform. This Policy does not, and cannot, disclose all risks or other significant aspects of using the Platform and the Digital Assets. You are urged to seek independent advice from a qualified professional before engaging in any transaction on the Platform.

**Last Updated: May 2026**

## 2. GENERAL RISKS OF DIGITAL ASSETS

### 2.1. Volatility and Price Fluctuations

Digital Assets, including but not limited to USDN and the US-dollar-pegged USDN, are subject to extreme volatility. The value of Digital Assets may fluctuate rapidly and unpredictably, both upwards and downwards, due to factors such as market demand, regulatory developments, technological advancements, liquidity constraints, and general macroeconomic conditions. You should be prepared for the possibility of significant or total loss of your Digital Assets.

### 2.2. Market Risk

Market risk refers to the possibility that the overall market conditions could negatively impact the price of Digital Assets. Events such as market illiquidity, sudden withdrawal of buyers, or systemic failures could severely affect your ability to sell or transfer Digital Assets at favorable prices, or at all. There is no assurance that any Digital Asset will maintain or increase its value.

### 2.3. Speculative Nature

Digital Assets are speculative by nature. Holding or using these assets carries high risk and should not be considered as a traditional or guaranteed return. The potential to lose all of your Digital Assets exists. The Company does not provide any warranties or guarantees with respect to the future performance or value of Digital Assets.

### 2.4. Liquidity Risks

Digital Assets may have limited liquidity, making it difficult to buy or sell them in the market. There may also be a risk of the Digital Assets delisted from third-party exchanges or trading platforms, making it difficult to trade or exchange such tokens.

## 3. TECHNOLOGY AND OPERATIONAL RISKS

### 3.1. Technological Dependencies

The Platform relies on blockchain technology, smart contracts, cryptographic protocols, and other technical infrastructures that may experience disruptions or malfunctions. System failures, such as network congestion, data corruption, or the malfunctioning of smart contracts, may result in delays, loss of funds, or failure to execute transactions.

### 3.2. Cybersecurity Threats

Despite employing advanced security protocols, the Platform is exposed to cybersecurity threats, including but not limited to hacking, phishing, malware, and Distributed Denial of Service (DDoS) attacks. Unauthorized third parties may gain access to users' accounts or Digital Assets, resulting in theft, loss, or corruption of funds or data. You are responsible for maintaining the security of your login credentials, private keys, and machines used to access the Platform.

### 3.3. Software Vulnerabilities

The Company and the Digital Assets on the Platform are reliant on various software systems, which may contain undiscovered vulnerabilities or bugs. Such vulnerabilities may be exploited to cause malfunction, resulting in unexpected consequences, including loss of assets. The Company cannot guarantee the reliability, functionality, or continued development of third-party software applications, and assumes no liability for losses resulting from such risks.

### 3.4. Software Compatibility

Users should ensure their machines, operating systems, and software are compatible with the Platform. Any failure to meet these technical requirements could result in service disruption or failure to access services. Use of outdated software or failure to keep software updated may expose users to security vulnerabilities and reduce functionality.

### 3.5. Operational Risk

Operational risks, including the risk of human error, mismanagement, or third-party service disruptions, could negatively affect the performance of the Platform. These risks include potential failures in the operational processes of trading, transfers, and custody of Digital Assets. Incorrect wallet addresses, transaction parameters, or other data inputs by users may lead to irreversible losses. The Company is not liable for any errors caused by users when interacting with the Platform.

### 3.6. Non-Custodial Platform Risks

The Company operates solely as a technology interface layer and does not perform any custody, safekeeping, or control of digital assets. All wallet infrastructure is managed exclusively by third-party providers. The Company does not have the ability to access, transfer, or dispose of user funds. Any approval or rejection of transactions is limited strictly to compliance checks only. Users acknowledge that the risk of loss of access to funds due to third-party wallet failures rests entirely with them.

### 3.7. Wallet-Connection Technology Risk

Where the Platform requires the connection of an external self-custodied wallet as a precondition to external withdrawals, the Platform integrates a third-party wallet-connection interface (currently the RainbowKit React library) (the "Wallet Connector"). The User acknowledges and accepts that: (a) the Wallet Connector is third-party software and may from time to time be unavailable, modified, replaced, or contain vulnerabilities; (b) RainbowKit and WalletConnect (including any successor or replacement integration) operate independently of the Company and the Company does not control their availability, security, or roadmap; (c) the User remains solely responsible for selecting, securing and maintaining custody of the Connected Wallet, including the protection of seed phrases, private keys and any device on which the Connected Wallet is held; (d) once a wallet is connected, the destination address for external withdrawals is auto-populated from the connected wallet and the User cannot manually amend that address from within the withdrawal interface; if the User has connected a wallet to which they do not have or have lost access (including a wallet provisioned on an incompatible network or by a third party), withdrawals dispatched to that address may be irrecoverable; and (e) all withdrawals are executed on-chain and are subject to the technological, network and protocol risks set out elsewhere in this Policy.

## 4. REGULATORY AND LEGAL RISKS

### 4.1. Regulatory Uncertainty

Digital Assets are subject to rapidly evolving regulatory environments. Laws, rules, and regulations governing the use, transfer, taxation, and classification of Digital Assets may change or be introduced without notice, potentially impacting the legality or viability of transactions conducted on the Platform. Regulatory measures in different jurisdictions could restrict your ability to access or utilize the Platform and may affect the value or security of your Digital Assets.

### 4.2. Compliance with Laws

Users of the Platform are responsible for ensuring that their activities comply with all applicable laws and regulations, including but not limited to anti-money laundering (AML), know-your-customer (KYC), know-your-business (KYB) and counter-terrorist financing (CTF) laws. Failure to comply may result in penalties, account suspension, termination, or legal action. The Company reserves the right to suspend or terminate accounts that do not meet regulatory requirements.

### 4.3. Local Jurisdiction Risk

The Company operates globally, but users are responsible for ensuring that their use of the Platform is legal in their jurisdiction. Accessing or using the Platform in violation of local laws or regulations may result in the suspension or termination of your account. The Company does not guarantee that the Platform is available in all jurisdictions or that it complies with all local laws.

### 4.4. Taxation

Digital Assets may be subject to tax reporting, capital gains, or other taxation requirements under your local or international laws. It is your responsibility to consult with tax professionals to ensure compliance with applicable tax laws. The Company does not provide tax advice and shall not be liable for any tax-related obligations incurred by users.

### 4.5. Cross-Border Considerations

Using the Platform may subject users to cross-border legal and regulatory challenges. Digital Asset transactions across jurisdictions may be restricted or subject to conflicting laws, which could impede your ability to complete or enforce transactions. You are responsible for understanding the legal implications of participating in cross-border Digital Asset transactions.

## 5. PRODUCT SPECIFIC RISKS

**5.0 United States reward model (controlling). In the United States the following applies and prevails over any inconsistent statement in this Policy: (a) rewards require the User to own and operate a the Company machine — a User without a machine receives no reward; (b) a User who owns a machine but holds no Node Telemetry License receives the included Node Center application subscriptions for free but forfeits any revenue the machine generates; (c) rewards for a License holder are a capped share of the real revenue the User's own machine generates (Personal Revenue Share), accruing daily and claimable monthly as redeemable, US-dollar-pegged USDN; (d) a User may activate up to one hundred (100) Licenses, each conferring one percent (1%) participation, with any uncovered portion forfeited to the company; (e) amounts above the personal cap derive from the machines of personally sponsored Users (Sponsor Revenue Share) and from the Node Activity Program, also capped, with the remainder forfeited to the company; and (f) no token is issued or sold, and no airdrop is offered in the United States. Rewards are not guaranteed, are not a security or investment, and may be zero.**

### 5.1. Risks Associated with USDN and the Node Telemetry License

The Company offers various services and platforms such as the Node Telemetry License, each of which carries inherent risks. Participating in or using these services may expose users to financial, technological, and project-specific risks. These risks include, but are not limited to, the total loss of tokens, project failure, liquidity issues, or other unforeseen circumstances.

### 5.2. Node Telemetry License and Reward Risks

Participating in the Node Telemetry License and other reward-generating activities through the Platform involves a risk of loss. These activities are speculative in nature, and there is no guarantee that you will receive the returns projected or anticipated.

Where participation involves the activation or utilisation of a Node Telemetry License, Users acknowledge and agree that the Node Telemetry License does not represent ownership in any underlying infrastructure, asset, or enterprise, nor do they guarantee returns. Any rewards or benefits associated with the Node Telemetry License are contingent upon network conditions, system utilization, protocol rules, participation thresholds, and ongoing platform functionality, all of which may change over time. USDN linked to the Node Telemetry License may be reduced, suspended, modified, or discontinued at any time, including due to technical, economic, regulatory, or operational factors.

### 5.3. Due Diligence

While the Company conducts due diligence on the projects listed or promoted on the Platform, users should also perform their own research and risk assessments. The Company disclaims all responsibility for any project failure or other negative outcomes associated with third-party platforms.

### 5.4. Node Growth Program and Dynamic Payout Cap Risks

The Platform includes the Node Growth Program, under which eligible Users may earn bonuses (including the NGP Direct Bonus, NGP PowerUp Bonus, and NGP Growth Matching Bonus) in connection with the growth and expansion of the Platform's network. Participation in the Node Growth Program is subject to the following specific risks, in addition to the general risks set out elsewhere in this Policy:

(a) Dynamic Payout Cap Risk: all bonuses payable under the Node Growth Program are subject to a Dynamic Payout Cap, being a maximum percentage of total Commissionable Points per calculation cycle. Where the aggregate of all bonus components in a given cycle exceeds the cap, each bonus component is reduced proportionally so that the total payout does not exceed the applicable threshold. The payout cap percentage is determined by the Company and may be adjusted at any time at the Company's sole discretion. As a result, the actual bonus received in any cycle may be materially lower than the amount initially calculated before application of the cap.

(b) Indicative Calculations Only: the Platform may display both a "Calculated Bonus" (the pre-cap amount) and an "Adjusted Bonus" (the post-cap amount). Users acknowledge that the Calculated Bonus is indicative only and does not create any entitlement, claim, or expectation of payment. Only the Adjusted Bonus, after application of the Dynamic Payout Cap, constitutes the User's final and binding entitlement for any given cycle.

(c) No Guarantee of Bonus Levels: past bonus levels are not indicative of future payouts. Bonus amounts depend on aggregate network activity, total Commissionable Points in each cycle, and the prevailing cap percentage, all of which may fluctuate. The Company makes no representation or warranty that any particular level of bonus will be achieved or maintained.

(d) Programme Modification or Discontinuation: the Company reserves the right to modify, suspend, or discontinue the Node Growth Program (including the Dynamic Payout Cap threshold, bonus components, and calculation methodology) at any time. Such modifications shall be published in the Platform documentation and shall take effect upon publication unless otherwise stated.

## 6. RISKS IN THE EXTERNAL APPS MARKETPLACE

The External Apps Marketplace provides access to third-party applications, platforms, marketplaces, educational services, and financial technology solutions, Web3 applications, and other external services that are independent of the Company, included but not limited to Paylink and Living By Design (collectively, "External Applications"). These External Applications are not operated or controlled by the Company, and their functionality, availability, security, and legal compliance cannot be guaranteed by the Company.

Use of External Applications is entirely at your own risk, and the Company shall bear no responsibility or liability for any loss, damage, costs, security breaches or liability arising from your access to, use of, or reliance on any External Applications.

Furthermore, your use of External Applications is subject to the applicable terms and conditions, privacy policies, and other policies of the relevant third-party providers. You are solely responsible for reviewing, understanding, and complying with such third-party terms.

## 7. USER RESPONSIBILITIES

### 7.1. Security Responsibilities

Users are responsible for ensuring that their personal information, passwords, private keys, and security credentials are kept confidential and secure. You must implement appropriate security practices, such as using multi-factor authentication, regularly updating passwords, and protecting machines from malware.

### 7.2. Financial Responsibility

You are solely responsible for any financial decisions made in relation to Digital Assets, including, but not limited to, the decision to deposit, trade, transfer, or stake Digital Assets. The Company does not provide financial advice, and all transactions on the Platform are executed at your own risk.

## 8. NO GUARANTEES OF RETURNS

### 8.1. Market Uncertainty

The Company makes no guarantees regarding the profitability of Digital Assets. The value of Digital Assets can fluctuate significantly, and there is no assurance that the value of your holdings will increase or be maintained. You are fully responsible for any losses incurred due to market fluctuations or adverse conditions.

### 8.2. Limitation of Liability

The Company assumes no liability for any losses, damages, or other adverse outcomes related to the use of the Platform or Digital Assets. The Platform and its services are provided "as is," and the Company disclaims all warranties, express or implied, including, but not limited to, warranties of fitness for a particular purpose and merchantability.

8.3. Compensation under the Node Growth Program is subject to a Dynamic Payout Cap and may be adjusted downward in any given calculation cycle. Pre-adjustment bonus calculations displayed on the Platform are indicative only and do not constitute a guarantee or commitment of any specific return. The limitations and disclaimers set out in Sections 8.1 and 8.2 apply equally to bonuses and compensation under the Node Growth Program.

## 9. TAX DECLARATION AND DISCLAIMER

### 9.1. Tax Obligations

By accessing and using the Platform, users acknowledge that any purchases, commissions, or compensation received may be subject to taxation according to the laws and regulations of their jurisdiction. Users are solely responsible for understanding and complying with applicable local tax obligations.

### 9.2. No Liability for Taxes

The Company does not assume any liability or responsibility for users' tax payments arising from rewards or benefits obtained through the products and services provided. Users are responsible for determining tax liabilities with a qualified tax professional or financial advisor and fulfilling any necessary tax reporting and payment obligations.

### 9.3. Change in Tax Residency

Users moving to a new jurisdiction should assess how this may affect their tax liabilities related to digital assets, as different regions may have varying rules regarding crypto taxation.

### 9.4. Professional Advice Recommendation

The Company strongly recommends seeking advice from a qualified tax professional or financial advisor to accurately ascertain tax liabilities. Tax regulations and obligations vary by region and country. Users must ensure fulfillment of all applicable requirements.

### 9.5. Regulatory Changes

Tax laws and regulations are subject to change. Users are responsible for staying informed about any changes that may affect their tax liability. The Company is not responsible for notifying users about alterations in tax laws.

### 9.6. Disclaimer

The information provided on the NovaLink platform is strictly for informational purposes only and does not constitute legal, financial or tax advice. The Company does not provide, and users should not rely on, any information on the Platform as a substitute for advice from qualified legal, financial or tax professionals.

Users are solely responsible for ensuring compliance with the tax regulations applicable in their jurisdiction and are strongly advised to consult with qualified advisors regarding their individual tax obligations and reporting requirements.

The Company does not issue, prepare, or provide any documents, statements, or certifications for tax filing or compliance purposes, including but not limited to official tax forms, income summaries, or other documentation required by tax authorities.

To the maximum extent permitted by law, the Company disclaims all liability for any losses, claims, penalties, or damages arising from the use of information provided on the Platform or from users' interpretation of tax laws.

This disclaimer shall be governed by and construed in accordance with the laws of the British Virgin Islands, and any disputes arising out of or in connection with this disclaimer shall be subject to the exclusive jurisdiction of the courts of the British Virgin Islands.

By accessing or using the Platform, users acknowledge and agree to the above-stated terms regarding their tax obligations and responsibilities, and accept full responsibility for their own tax affairs, filings, and compliance obligations.

## 10. AI CHATBOT DISCLAIMER

### 10.1. General Information

The AI Chatbot available on the Platform is an automated artificial intelligence system powered by OpenAI. It is designed to answer User inquiries related to the products and/or services of Nodelink and to provide information and assistance. The AI Chatbot does not constitute part of the core Services and does not have authority to bind, represent, or create any obligation on behalf of Nodelink, nor shall any output generated by the AI Chatbot be construed as an official communication of the Company.

### 10.2. Liability and Accuracy

While we strive to provide accurate information through the AI Chatbot, the Company makes no representations or warranties, whether express or implied, regarding the accuracy, completeness, reliability, legality, or currency of the information provided. Users acknowledge that the AI Chatbot is an automated system and may, at times, provide information that is inaccurate, misleading or outdated. Information provided by the AI Chatbot does not constitute financial, investment, legal, tax, technical, or professional advice. The Company assumes no liability for funds lost, or other damages incurred due to reliance on unverified AI Chatbot instructions, to the fullest extent permitted by applicable law. Users remain solely responsible for independently verifying any information before taking action. Furthermore, any AI output is provided for informational purposes only, does not constitute human advice, and cannot be relied upon for making any financial, legal, or investment decisions.

- Verification: We encourage you to verify any information provided by the AI Chatbot before taking any action or making any decisions based on such information.
- No Guarantee: Nodelink assumes no responsibility or guarantee for the accuracy, completeness or usefulness of the information provided and expressly disclaims any liability arising from errors, omissions, or so-called “hallucinations.”
- Service Availability: Nodelink expressly reserves the right to modify, suspend, restrict, add, or delete individual or all AI Chatbot functionalities without notice, or to discontinue the AI Chatbot temporarily or permanently. Nodelink provides no guarantee for the uninterrupted accessibility of the AI Chatbot.
- Limitation of Liability: To the fullest extent permitted by law, Nodelink, its directors, officers, employees, affiliates, and representatives shall not be liable for any direct, indirect, incidental, consequential, financial, or reputational losses arising from: (i) the use of the AI Chatbot; (ii) reliance on AI-generated outputs; (iii) errors, inaccuracies, or omissions; (iv) service interruptions or unavailability.

### 10.3. User’s Use of the AI Chatbot

By using the AI Chatbot, the User agrees:

1. Not to post, send, or share defamatory, offensive, intimidating, illegal, racist, discriminatory, obscene, or inappropriate content in any form through the AI Chatbot.
2. Not to use the AI Chatbot to conduct illegal or immoral activities.

3. Not to attempt to compromise the security of the AI Chatbot or access confidential information related to the Services.
4. Not to copy, distribute, modify, reverse engineer, decompile, or attempt to extract the source code of the Chatbot or any part that composes it, without our prior written consent.
5. Not to disclose private keys, seed phrases, passwords, authentication credentials, or any other sensitive security information through the AI Chatbot. The Company shall not be liable for any loss, security breach, or unauthorized access resulting from the voluntary disclosure of such information.

### 10.4. Data Privacy and Security

We prioritize the privacy and security of our Users' information. Users acknowledge that AI Chatbot conversations may be recorded, monitored, and reviewed by our teams for security, compliance, fraud prevention, and service improvement purposes. Do not share in your conversation through the AI Chatbot any Personal Information (as defined in our Privacy & Cookie Policy published on the NovaLink Transparency Portal) that is not useful and/or requested for handling your assistance request.

### 10.5. Acknowledgment

By using the AI Chatbot, you acknowledge and agree to this disclaimer and its terms. If you do not agree with this disclaimer, we recommend refraining from using the AI Chatbot. Your continued use of the AI Chatbot constitutes acceptance of the risks associated with AI-generated content.

## 11. CONCLUSION

By using the Platform, you acknowledge that you have read, understood, and accepted this Risk Disclosure Policy in its entirety. You accept the inherent risks associated with Digital Assets and agree to use the Platform at your own risk. We reserve the right to update or modify this Policy at any time. Any updates or modifications will be posted on the website and continued use of the Platform constitutes acceptance of the updated or modified Policy.

For any questions or concerns regarding this Policy, please contact our support team at support@novalink.tech

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