

Regulatory Information and Risk Policy

Revision March 2026

Sigmine Ltd · Reg. 207785406 · Bulgaria

1. Nature of the service

SigMine provides a service comprising the following components:

- **Computational capacity rental:** provision to the User of processing power (hashpower) dedicated to the validation of transactions on blockchain networks.
- **Daily settlement:** acquisition by SigMine of the digital assets generated by the contracted infrastructure, at market price, and crediting of the resulting value in USDT/USDC to the User's balance within the Application.
- **Temporary custody:** maintenance of the balance credited to the User until they request withdrawal to an external wallet in their name.

2. Applicable regulatory framework

2.1. Computational capacity rental

The rental of processing capacity is a technological service that, by its nature, does not in itself constitute a financial service or a crypto-asset service regulated under Regulation (EU) 2023/1114 (MiCA).

2.2. Settlement and custody

The daily acquisition of generated digital assets and the custody of the resulting value constitute activities that may be subject to the MiCA Regulation. SigMine has **initiated the authorisation application process** with the competent authority of the Republic of Bulgaria in accordance with the applicable provisions of the MiCA Regulation.

SigMine operates in compliance with applicable law and with the commitment to adapt its services to the requirements that may apply at any given time.

2.3. Internal SMT credits

Internal SMT credits are accounting records within the Application that do not use distributed ledger technology (DLT). They do not constitute crypto-assets within the meaning of Art. 3(1)(5) of the MiCA Regulation and are not subject to the authorisation requirements or white paper publication obligations provided for therein.

3. Absence of investment guarantees

The User expressly acknowledges that:

- SigMine **does not offer expectations of economic profitability.**
- **No guarantee** is given of obtaining income, profits, or economic results.
- There is no commitment to appreciation, yield generation, or recovery of amounts paid.
- The service does not constitute an investment product, savings product, or financial instrument.

4. Funds and guarantees

- Funds held in custody by SigMine are **not covered** by deposit guarantee schemes, investor compensation schemes, or equivalent protection mechanisms of any Member State.
- SigMine maintains User funds **separate from the company's own funds**, with a minimum coverage of 100% of the total available User balance.

5. Risk policy

The User acknowledges and accepts the following risks:

5.1. No guarantee of production

The User assumes the technical risk that digital asset production may be economically inefficient due to network difficulty, energy costs, or market conditions. The Provider does not guarantee profits, profitability, or recovery of the cost of the service.

5.2. Market volatility

The value credited to the User depends on the **market price** of the digital assets generated at the time of daily settlement. Such price is subject to fluctuations beyond the Provider's control.

5.3. Exchange rate risk

Daily settlement is carried out applying an **exchange spread** to the market price. This spread constitutes an additional cost for the User, in addition to the applicable operational fee based on their loyalty tier.

5.4. Credential custody

The User is **solely responsible** for the security of their Application access credentials and the private keys of their external wallets. Any operation carried out from their account will be presumed to have been performed by them.

5.5. Custody risk

The balance credited to the User remains in custody by SigMine. Although SigMine adopts reasonable security measures and maintains funds separate from its own, the User acknowledges that such funds are not covered by guarantee schemes of any Member State. In the event of insolvency, security incidents, or other exceptional circumstances, the User could suffer total or partial loss of their custodied balance.

5.6. Technological risk

The service relies on complex technological infrastructures that may be affected by **technical failures, power outages, cyberattacks, security vulnerabilities, or force majeure events**, which may cause service interruptions, loss of access, or reduced performance. The Provider **does not guarantee continuous availability or constant performance**.

5.7. Blockchain network risk

The use of blockchain technologies entails risks such as network congestion, forks, consensus failures, protocol changes, network attacks, or interruptions of nodes, pools, or validators. These events may affect production, processing times, or asset value, without SigMine being able to influence such circumstances.

5.8. Regulatory risk

The regulatory framework applicable to digital assets and blockchain-related services **is constantly evolving**. Legislative changes, administrative interpretations, or new obligations may affect the service, limit its availability, or even require its suspension or cancellation, without right to compensation.

5.9. Tax risk

Applicable taxation depends on current regulations and each User's individual situation. SigMine **does not provide tax advice**. The User is solely responsible for complying with their tax obligations. SigMine's tax reporting obligations are described in the *DAC8 Directive Tax Information* document.

5.10. Risk of total loss

The User acknowledges that contracting the service entails a **high level of risk**, and that the **total loss of amounts paid** may occur, without any guarantee of recovery, minimum profitability, or capital return.