



July 13, 2023
bitFlyer, Inc.

Update to the Terms of Use and the Written Explanation on Over-the-counter Crypto Asset Derivatives Trading and Written Explanation of Crypto Asset Trading (Document Requiring User Agreement)

Dear customer,

Thank you for using bitFlyer.

Following our announcement “Update to the Terms of Use and the Written Explanation on Over-the-counter Crypto Asset Derivatives Trading (Document Requiring User Agreement) and a change to the derivatives trading rules” on Jul 5 (Wed), we will make further revisions in order to further reduce risks in trading and ensure market safety for our customers.

The Travel Rule (mandated by the Act on Prevention of Transfer of Criminal Proceeds and related laws and orders), which we have previously announced and are already operating in compliance with all relevant regulations, is clarified in the Terms of Use.

Please click the link below to download and review the main changes.

Effective date:

- July 27, 2023 (Thursday)

Affected trades:

- Lightning Spot (only API)
- Lightning FX (incl. API)
- Lightning Futures (incl. API)

Affected customers:

- All customers (corporate and individual)

Main details of the revision of the Terms of Use and Document Requiring User Agreement:

- After the above changes become active, we may request customers to reduce the amount of open interests (positions) they currently hold to the extent that we request. Upon receipt of such notice, the registered user shall reduce the volume of open positions by the deadline requested by us.

Failure to comply with the above will be deemed to constitute a prohibited act as defined in our Terms of Use and may result in the suspension of orders for derivatives trading or account closure with forced settlement of open positions.

- Open positions within our required scope will be maintained as it is.

●In accordance with the Regulations on the Prohibition of Loss Compensation, etc. Pertaining to the Cryptographic Asset Exchange Business of the JVCEA (Japan Virtual and Crypto Assets Exchange Association), we have clarified that if a registered user demands compensation for losses from us, it falls under Prohibited Activities in our Terms of Use. This point has already been stated in the Written Explanation on Over-the-counter Crypto Asset Derivatives Trading (Document Requiring User Agreement) in the section "Prohibited Actions for Trading Over-the-counter Derivatives of Crypto Assets".

●The expiration date for orders placed through the API is changed to a maximum of 30 days. Please note that orders placed via the API prior to the revision date of the Written Explanation (July 27) that are not executed yet, will expire by late August 2023. We will inform you of the specific date once it is fixed.

●Agreement that with implementing the Travel Rule, we may obtain and store the personal data provided to us and provide it to other crypto asset exchange operators is mandatory.

Impact on trading rules (orders):

●Maximum order size*: changed from 1,000 BTC to 100 BTC

* Limit orders, market orders, special orders

●Held position limit: changed from 1,000 BTC to 500 BTC

●Expiration date for API orders changed from indefinite to a maximum of 30 days

Terms of Use

<https://bitflyer.com/pub/20230727-usepolicy-amendment-en.pdf>

Terms of Use before and after amendments

<https://bitflyer.com/pub/20230727-usepolicy-comparison-en.pdf>

Written Explanation on Over-the-counter Crypto Asset Derivatives Trading (Document Requiring User Agreement)

<https://bitflyer.com/pub/20230727-explanation-derivative-regulation-amendment-en.pdf>

Written Explanation on Over-the-counter Crypto Asset Derivatives Trading (Document Requiring User Agreement) before and after amendments

<https://bitflyer.com/pub/20230727-explanation-derivative-regulation-comparison-en.pdf>

Written Explanation of Crypto Asset Trading (Document Requiring User Agreement)

<https://bitflyer.com/pub/20230727-explanation-crypto-asset-regulation-amendment-en.pdf>

Written Explanation of Crypto Asset Trading (Document Requiring User Agreement) before and after amendments

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We appreciate your continued support.

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