

October 12, 2021
bitFlyer, Inc.

Response to the distribution of Spark tokens (FLR tokens/FLR) and Songbird tokens (SGB tokens/SGB) from Flare Networks (October 12 update)

12 domestic service providers (1 observer) have continued the discussions with Flare Networks for the purpose of protecting customer assets and maximizing customer benefits. We have reached an agreement with Flare Networks under the following conditions.

Terms of Agreement with Flare Networks

- Spark tokens (FLR) will be distributed upon approval for handling by the JVCEA (Japan Virtual and Crypto Assets Exchange Association) and completion of the necessary procedures with the JFSA (Japan Financial Services Agency) by June 12, 2023, each Japanese exchange will claim FLR and distribute it to XRP holding customers.
- Songbird tokens (SGB) will be distributed upon approval for handling by the JVCEA (Japan Virtual and Crypto Assets Exchange Association) and completion of the necessary procedures with the JFSA (Japan Financial Services Agency), the Flare Networks will distribute it to the exchange.

* As a result of negotiations with Flare Networks, the approval deadline has been extended to June 12, 2023.

* There are procedures in accordance with laws and regulations as well as the rules of self-regulatory organizations in order for the domestic service providers to start handling the services.

* Further information on the start of handling will be announced on each company's website as soon as it is determined.

* The timing of the service launch and the token distribution may be affected by the status of each company's service screening and system maintenance.

* This policy is subject to change due to changes in the policies of Flare Networks, the issuer of the FLR/SGB tokens, or for other reasons.

* Flare Networks' announcement about [FLR/SGB tokens](#).

<About Flare Networks>

The objective of Flare Networks is to implement smart contracts on the XRP Ledger with the support of Xpring, Ripple's investment division. On August 10, Flare Networks announced an airdrop of the FLR to XRP holders.

<Important notes>

* All times listed are Japan time.

- * The handling of FLR/SGB tokens by bitFlyer is yet to be determined.
- * Approval from JVCEA and completion of the necessary procedures with the JFSA is required for bitFlyer to begin handling FLR/SGB tokens. If approval is not obtained, it may not be possible to grant or deliver the equivalent amount in cash.

Thank you for your understanding and continued support.

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