

Underdog Rips Terms of Use

Underdog Rips

IMPORTANT NOTICE:

THESE TERMS SUPPLEMENT THE [UNDERDOG TERMS OF USE](#), WHICH INCLUDE A BINDING ARBITRATION AND CLASS ACTION WAIVER AGREEMENT. BY PURCHASING OR OPENING AN UNDERDOG RIP, YOU AGREE THAT ANY PAST, PENDING, OR FUTURE DISPUTE ARISING OUT OF OR RELATING TO UNDERDOG RIPS WILL BE RESOLVED BY FINAL AND BINDING ARBITRATION ON AN INDIVIDUAL BASIS ONLY AND FOR YOUR OWN LOSSES ONLY, AS PROVIDED IN THE UNDERDOG TERMS OF USE. YOU MAY NOT PROCEED AS A CLASS REPRESENTATIVE OR AS A MEMBER OR PART OF ANY CLASS, COLLECTIVE ACTION, MASS ARBITRATION, PRIVATE ATTORNEY GENERAL SUIT, QUI TAM ACTION, OR OTHER REPRESENTATIVE PROCEEDING. ARBITRATION MEANS YOU WILL NOT BE ABLE TO SEEK DAMAGES IN COURT OR PRESENT YOUR CASE TO A JURY.

1. Overview and Relationship to Underdog Terms of Use. In certain states, you can purchase a digital card pack backed by physical trading cards (an “Underdog Rip”). Underdog Rips are made available pursuant to a partnership between Underdog and Phygital Inc. (“Phygital”), an independent third party in connection with sourcing, storing, and shipping the physical trading cards that back Underdog Rips. The Underdog Rips Terms of Use (the “Terms”) supplement, and do not replace, the Underdog Terms of Use to which you agreed when you registered your Underdog account, as amended from time to time (the “Underdog Terms of Use”). The Underdog Terms of Use are available here: [Underdog Terms of Use](#). You acknowledge and agree that Underdog Rips are part of the “Services” as that term is defined in the Underdog Terms of Use, and that your purchase, opening, holding, sale-back, and redemption of an Underdog Rip each constitute a “purchase or transaction” and a use of the Services for all purposes under the Underdog Terms of Use, including Sections 17 through 20 and Sections 26(iii) and 26(iv) of the Underdog Terms of Use. Phygital is an independent third-party service provider and provides its services and the physical trading cards backing Underdog Rips on an “as is” and “as available” basis. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, AND EXCEPT AS EXPRESSLY STATED IN THESE TERMS, NEITHER UNDERDOG NOR PHYGITALS MAKES ANY WARRANTIES OR REPRESENTATIONS, EXPRESS OR IMPLIED, REGARDING ANY PHYSICAL TRADING CARD, INCLUDING ITS VALUE, AUTHENTICITY, GRADING, OR CONDITION, OR ANY OTHER PRODUCT OR SERVICE.

Except as provided in the immediately following paragraph, in the event of a conflict between these Terms and the Underdog Terms of Use with respect to Underdog Rips specifically, these Terms control.

NOTWITHSTANDING THE FOREGOING AND NOTWITHSTANDING ANYTHING ELSE IN THESE TERMS, THE INITIAL DISPUTE RESOLUTION PROCEDURE, THE BINDING ARBITRATION AND CLASS ACTION WAIVER AGREEMENT, THE WAIVER OF JURY TRIAL, THE GOVERNING LAW PROVISION, THE ONE-YEAR LIMITATIONS PERIOD, AND THE LOSS-RECOVERY WAIVER SET FORTH IN THE UNDERDOG TERMS OF USE APPLY IN FULL TO EVERY DISPUTE ARISING OUT OF OR RELATING TO UNDERDOG RIPS AND TO THESE TERMS, AND SHALL CONTROL OVER ANY EXPRESS OR PERCEIVED CONFLICT WITH THESE TERMS. NOTHING IN THESE TERMS LIMITS, MODIFIES, OR SUPERSEDES THOSE PROVISIONS IN ANY RESPECT.

Capitalized terms used but not defined in these Terms have the meanings given to them in the Underdog Terms of Use.

2. Availability; Shipping; Taxes. Underdog Rips are not available in all states. Underdog may, in its sole discretion, elect to make Underdog Rips available only in certain states, and may expand, restrict, or discontinue such availability in any state at any time without notice. Underdog Rips are offered solely to individuals located in the United States, and no physical card redeemed from an Underdog Rip will be shipped to an address outside the United States. Any offer to purchase an Underdog Rip is void where prohibited, and you are responsible for confirming that Underdog Rips may lawfully be purchased from your location. No sales tax is collected at the time you purchase or open an Underdog Rip. If you submit a request to have a physical card from an Underdog Rip shipped to you, Underdog will charge sales tax based on the delivery address you provide, to the extent required by applicable law.

3. Purchase; Randomized Contents; No Guarantee of Value. Each Underdog Rip contains a randomly selected physical trading card, determined by a random number generator (RNG) algorithm. The odds of obtaining a given card or tier of card will be disclosed to you prior to purchase. The value of the card you receive may be more or less than the price you paid for the Underdog Rip. Dissatisfaction with the outcome of an Underdog Rip is not grounds for a refund. Underdog Rips are intended for entertainment and collection purposes and should not be treated as an investment. Underdog Rips are available for purchase at various price points as displayed on the platform. Each Underdog Rip contains randomized trading cards that correspond to real physical cards stored in professional vaults. The contents of each Underdog Rip are determined by a random selection algorithm at the time of opening.

You acknowledge and agree that:

- Underdog Rip contents are randomized. The specific cards you receive are not predetermined or guaranteed and are subject to Phygitals' provable fairness system described further below;
- The value of cards received may be more or less than the purchase price of the Underdog Rip;
- Past results, including cards received by other users, do not guarantee or predict future results;
- Purchasing Underdog Rips involves an inherent element of chance regarding the specific items received.

Odds Disclosure: Information about pack odds, rarity tiers, and drop rate ranges is available through Phygitals' provable fairness documentation. Odds may vary by Underdog Rip type and are determined at the time of purchase. Any changes to odds or Underdog Rip composition apply to future Underdog Rip purchases only and do not retroactively affect previously purchased Underdog Rips. Phygitals employs a provable fairness system for all randomized Underdog Rip pack openings. This system utilizes a combination of a server seed hash, a client seed, and a disclosed algorithm that verify the randomness and integrity of pack results after opening. If you would like to request your provable fairness documentation for an Underdog Rip you purchased, please reach out to Underdog's Customer Support Department at support@underdogsports.com, and include your username and the transaction details.

Neither Underdog nor Phygitals guarantees any particular outcome in connection with the odds, contents, and redemption rights associated with each Underdog Rip. You acknowledge that odds, contents or redemption rights are not determined, guaranteed or provided by Underdog or Phygitals.

DISCLAIMER OF LIABILITY: TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH OF UNDERDOG AND PHYGITALS DISCLAIMS ALL LIABILITY ARISING OUT OF OR IN CONNECTION WITH UNDERDOG RIPS, INCLUDING BUT NOT LIMITED TO LIABILITY FOR ANY LOSS OF VALUE, DAMAGE TO OR LOSS OF PHYSICAL CARDS, ERRORS IN AUTHENTICATION OR GRADING, DELAYS IN SHIPPING OR FULFILLMENT, INTERRUPTIONS OR ERRORS IN THE RANDOM NUMBER GENERATOR OR PROVABLE FAIRNESS SYSTEM, OR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, OR PUNITIVE DAMAGES, REGARDLESS OF THE THEORY OF LIABILITY. IN NO EVENT SHALL THE TOTAL AGGREGATE LIABILITY OF EACH OF UNDERDOG AND PHYGITALS TO YOU FOR ALL CLAIMS ARISING OUT OF OR RELATING TO UNDERDOG RIPS EXCEED THE AMOUNT YOU PAID FOR THE SPECIFIC UNDERDOG RIP GIVING RISE TO THE CLAIM.

4. Storage; Automatic Sale-Back. Once you open an Underdog Rip, the physical card you receive will be shown in the “Collection” tab of your Underdog account. You may store a physical trading card for a maximum of seven (7) days. Any card that remains in storage for seven (7) days or longer will be deemed sold back to Underdog, in Underdog’s sole discretion, and you will be credited the fair market value (“FMV”) of the card, as determined at the time you opened the applicable Underdog Rip. Underdog will attempt to provide you with at least twenty-four (24) hours’ notice before this occurs, by push notification, if you have push notifications enabled on your device. Underdog may extend this deadline in its sole discretion. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER UNDERDOG NOR PHYGITALS SHALL BE LIABLE FOR ANY LOSS IN VALUE DURING THE STORAGE PERIOD OR AS A RESULT OF THE AUTOMATIC SALE-BACK PROCESS.

5. Shipping Requests. You may request that a physical card in your Collection be shipped to you, subject to identity verification and any other requirements described in these Terms. Shipping is available only to addresses within the United States. As described above, you will be charged sales tax based on the delivery address you provide, to the extent required by applicable law. Once a physical card has been delivered to the shipping carrier or third-party logistics provider, Underdog and Phygital’s responsibility for that card terminates, and neither Underdog nor Phygital assumes any liability for any loss, damage, or delay occurring during transit.

6. Returns and Refunds. All purchases of Underdog Rips are final. Once an Underdog Rip has been purchased and opened, the transaction cannot be reversed, and dissatisfaction with the randomized outcome is not grounds for a refund. Underdog may, in its sole discretion, issue a refund or credit if: (a) a verified platform or payment error caused an incorrect or duplicate charge, or a failure to deliver a purchased Underdog Rip; (b) a card you received is determined by Underdog to be counterfeit, materially misgraded, or otherwise incorrectly displayed; (c) a purchase was made using your payment method without your authorization by someone other than you; or (d) applicable law requires a refund that cannot be waived by agreement. Refund requests must be submitted within thirty (30) days of the transaction giving rise to the request, to Underdog’s Customer Support Department at support@underdogsports.com, and should include your username, the transaction date and amount, and a description of the issue. Because the physical cards backing Underdog Rips are sourced, authenticated, and held by a third-party partner, Underdog’s ability to approve and process a refund or return under this Section 6 may be subject to that partner’s approval, and the timing of any refund or credit may vary accordingly. Nothing in this Section 6 limits any statutory right to a refund that cannot be waived under applicable consumer protection law.

7. Risk Disclosure Statement. The following risk disclosures are incorporated into these Terms and apply to your purchase, holding, and redemption of Underdog Rips. This is not an exhaustive list of risks; there may be other risks associated with Underdog Rips that are not described below.

i. Risks of Digital Assets

Certain aspects of the storage and administration of the physical cards backing Underdog Rips involve digital recordkeeping and, where applicable, digital or blockchain-based representations of ownership. These carry risks, including:

- **Volatility:** The value of a card, and of any digital representation of it, can be extremely volatile and may fluctuate rapidly and significantly, and may drop to zero.
- **Liquidity:** There is no guarantee that there will be an active market for any card or digital asset at a given time. You may not be able to sell your card when you want to, or at a price you consider fair.
- **Regulatory Uncertainty:** The regulatory environment for digital assets is evolving. Changes in laws or regulations may adversely affect the value or utility of your card or the ability of Underdog or Phygitals to provide the related services.
- **Loss of Access:** You are responsible for the security of your account and any wallet or access credentials associated with it. Loss of access may result in loss of access to your card or its value.

ii. Platform & Technical Risks

Underdog Rips depend on technology operated by Underdog and by Phygitals, which involves technical risks:

- **Software Bugs:** The platforms and systems used to operate Underdog Rips, including any underlying software or smart contracts, may contain bugs, defects, or errors that could compromise security or functionality.
- **Network Risk:** To the extent any blockchain network is used in connection with Underdog Rips, neither Underdog nor Phygitals is responsible for the operation of that network, which may experience congestion, outages, forks, reorganizations, chain halts, or other issues. Duplicate assets resulting from such events will not be honored.
- **Third-Party Dependency:** Underdog Rips rely on third-party service providers, including authentication providers, payment processors, and vault partners, for critical

functions. Failures or interruptions in these services may affect your ability to use Underdog Rips.

iii. Risks of Randomized Rewards (Rips)

Purchasing an Underdog Rip involves a randomized reward mechanic:

- **No Guarantee of Value:** The value of the card you receive is not guaranteed and may be less than the purchase price of the Underdog Rip.
- **Probability:** The distribution of cards is based on disclosed probabilities (odds). Receiving a high-value card is rare. You should review the disclosed odds before purchasing.
- **Not an Investment:** Underdog Rip purchases should be for entertainment and collection purposes only, not as an investment strategy.

iv. Vault & Physical Asset Risks

While physical cards are stored in professional vaults, risks remain:

- **Damage or Loss:** Although Phygital's vault partners maintain insurance, there is a risk of damage, loss, or theft of physical items.
- **Authentication Errors:** Grading and authentication are performed by third-party grading services (such as PSA, BGS, SGC, and CGC). Underdog and Phygital's rely on their assessments and do not guarantee their accuracy.
- **Shipping Risks:** Redeeming physical cards involves shipping risks. NEITHER UNDERDOG NOR PHYGITALS SHALL HAVE ANY LIABILITY FOR ANY LOSS, DAMAGE, OR DELAY OCCURRING AFTER A PHYSICAL CARD HAS BEEN HANDED TO THE CARRIER, INCLUDING ANY LOSS OR DAMAGE OCCURRING DURING TRANSIT.
- **FMV/Oracle Risk:** Fair market value data is provided "as is" from third-party sources. Inaccurate, delayed, or manipulated FMV data could affect the value credited to you, marketplace pricing, or insurance claim assessments. Neither Underdog nor Phygital's is responsible for consequences resulting from FMV data errors.

v. Contact

If you have questions about the risks described in this Risk Disclosure Statement or need further clarification, please contact Underdog's Customer Support Department at support@underdogfantasy.com.

8. Additional Prohibited Conduct. In addition to the conduct described in Section 7 (User Conduct) of the Underdog Terms of Use, in connection with any Underdog Rip you agree not to: (a) create, control, or coordinate more than one Underdog account, or coordinate across Underdog and Phygitals accounts, to obtain Underdog Rips, promotional credits, or odds outside the terms on which they are offered; (b) use bots, scripts, or other automated means to purchase Underdog Rips beyond what Underdog's platform permits for ordinary use; (c) use a virtual private network (VPN) or similar tool to misrepresent your location in order to purchase or ship an Underdog Rip; (d) exploit any known error, bug, or data-synchronization issue between the Underdog and Phygitals platforms to obtain an Underdog Rip, card, or credit to which you would not otherwise be entitled; (e) represent, advertise, or promote any Underdog Rip, or any card obtained from an Underdog Rip, as an investment product, security, or financial instrument, or represent that any Underdog Rip or card has a guaranteed financial return; (f) create, operate, or facilitate any secondary marketplace for the resale or trading of Underdog Rips or cards obtained from Underdog Rips outside of the Underdog platform, without Underdog's and Phygitals' prior written consent; (g) engage in wash trading, self-dealing, market manipulation, or any other deceptive or manipulative practice in connection with the purchase, sale, or trading of Underdog Rips or cards; or (h) purchase Underdog Rips on behalf of, or provide access to Underdog Rips to, any individual under the age of 18 (or the minimum age in your state of residence, which may also be 19 or 21). If Underdog determines, in its reasonable discretion, that you have engaged in any of the foregoing, Underdog may suspend or terminate your access to Underdog Rips or your Underdog account, and require forfeiture of any card, credit, or Underdog Rip obtained through such conduct, in addition to any other remedy available under these Terms or applicable law.

9. Privacy. Personal information you provide in connection with an Underdog Rip, including through your Underdog account and at the point of purchase, is processed in accordance with the [Underdog Privacy Policy](#). Underdog may share certain personal information about you with a third-party partner responsible for fulfillment, including your name, shipping address, and other information reasonably necessary, so that the physical card can be shipped to you and for other purposes necessary to facilitate your Underdog Rip transaction. Personal information that this partner separately collects or receives in connection with fulfillment, vaulting, or identity verification of an Underdog Rip is processed in accordance with that partner's own privacy policy.

10. Restricted Jurisdictions

i. User Responsibility

You are solely responsible for determining whether your use and/or purchase of Underdog Rips complies with all laws and regulations applicable in your jurisdiction. This includes, but is not limited to:

- Understanding local laws regarding digital assets, collectibles, and any regulations that may apply to randomized reward mechanics;
- Determining whether Underdog Rip openings or other features are subject to any restrictions in your jurisdiction;
- Complying with local tax obligations related to digital asset transactions and collectible purchases;
- Determining whether participation in pawn/lending services is subject to local consumer lending regulations.

Underdog does not provide legal, tax, or financial advice. If you are unsure about the legality of using any feature of Underdog Rips in your jurisdiction, we strongly recommend consulting a qualified legal professional before proceeding.

By purchasing an Underdog Rip, you represent and warrant that your use of the platform and its features is lawful in your jurisdiction. You assume all risk and liability arising from your purchase and/or use of an Underdog Rip in any jurisdiction.

ii. Future Geographic Restrictions

Underdog reserves the right to implement, expand, modify, or update geographic restrictions at any time as regulatory landscapes evolve, including restricting access to specific features in certain jurisdictions. If geographic restrictions are implemented, they may be applied without prior notice in response to new legislation, regulatory guidance, or enforcement actions.

Underdog will make reasonable efforts to communicate material changes to affected users where practicable.

iii. Sanctions & Comprehensive Restrictions

The entire Underdog platform, including the purchase of Underdog Rips, is not available to users who are:

- Residents of, or located in, any country or territory subject to comprehensive economic sanctions administered by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the European Union, the United Kingdom, or the United Nations;

- Listed on any sanctions, denied persons, or blocked persons list, including but not limited to: OFAC's Specially Designated Nationals and Blocked Persons List, the U.S. Commerce Department's Denied Persons List, HM Treasury's Consolidated List of Financial Sanctions Targets (UK), and the EU Consolidated List of persons, groups, and entities subject to EU financial sanctions;
- Owned or controlled by, or acting on behalf of, any person or entity described above.

This includes, but is not limited to, residents of: Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the Donetsk People's Republic, and the Luhansk People's Republic. This list is subject to change in accordance with applicable sanctions regulations.

By using the Service, you represent and warrant that you are not a person or entity subject to any applicable sanctions, and that you are not accessing the Service from a comprehensively sanctioned jurisdiction.

11. Acknowledgment and Acceptance.

By completing a purchase of an Underdog Rip, you acknowledge and agree that: (a) you have read, understood, and agreed to be bound by these Terms, including the Risk Disclosure Statement set forth in Section 7 and the Underdog Terms of Use; (b) you are of legal age to purchase Underdog Rips in your jurisdiction; (c) you are not located in a restricted jurisdiction or subject to any applicable sanctions; and (d) you understand that Underdog Rips are randomized digital card packs intended for entertainment and collection purposes only and are not investment products, securities, or financial instruments.

By completing a purchase, you also agree to [Phygitals' Terms of Service](#). In case of any conflict between the Phygitals' Terms of Service and these Terms or the Underdog Terms of Use, these Terms shall control.