



July 31, 2017

bitFlyer, Inc.

Policy regarding the possibility of a chain split in the Bitcoin blockchain (“Bitcoin Cash”) on August 1st

(Revised on July 27th, 28th and July 31st)

A chain split related to Bitcoin Cash (below, "BCC split") is scheduled to occur on August 1st. This is the update to a press release from July 19th.¹

- Client assets will be protected. In the event our company determines that the August 1st BCC split is permanent, customers will possess both Bitcoin and Bitcoin Cash assets.
- Customers will be credited with an amount of Bitcoin Cash equal to the amount of Bitcoin in their bitFlyer accounts prior to the split.²
- **We will soon support trading BCC on our platform. (Added July 31st)**
- We will take countermeasures against potential replay attacks at the time of the BCC split.³ We believe that the safest measure for the protection of your assets is depositing your Bitcoin in an exchange for which replay attack measures are in place before the split.
- In order to protect customer assets, we plan to temporarily suspend the following services:
 - Withdrawal of Bitcoin from bitFlyer accounts to outside wallets
- The following services will not be suspended, and will operate as usual:
 - Buying and selling of Bitcoin and Altcoins (Bitcoin Market / Altcoin Market, bitFlyer Lightning Spot, FX, and Futures)
 - Japanese yen deposits and withdrawals
 - Virtual currency deposits
 - Withdrawal of virtual currencies other than Bitcoin

Temporarily suspended services and dates of suspension

Temporary suspension (JST)	Temporarily suspended services (tentative)
August 1, 10:20 AM - August 2 (tentative)	Withdrawal of Bitcoin from bitFlyer accounts to outside wallets

Schedule

Time (JST)	Measures (tentative)
August 1, 10:20 AM (tentative)	<p>Temporary suspension of services</p> <p>Withdrawal of Bitcoin from bitFlyer accounts to outside wallets will be suspended.</p>
August 1, 9:20 PM (tentative)	<p>Balance Calculation</p> <p>The amount of Bitcoin Cash granted to you (in the event that the BCC split is deemed permanent by our company) will be decided based on the corresponding amount of Bitcoin held in your bitFlyer account at the time of the split.⁴</p>
August 2 (tentative)	<p>Resumption of services</p> <p>Withdrawal of Bitcoin from bitFlyer accounts to outside wallets will resume.</p>
<p>To be decided within several days</p> <p>(Added July 31st)</p>	<p>Bitcoin Cash Distribution and Start of Trading</p> <p>In the event we judge the BCC split to be permanent, we will credit users with Bitcoin Cash and begin Bitcoin Cash trading services.</p>
<p>To be decided</p> <p>(Decision to be made after observing the stability of the BCC chain after the split)</p>	<p>Opening of Bitcoin Cash Deposits and Withdrawals</p> <p>After observing trends in the BCC chain after the split, we will begin providing BCC deposit and withdrawal services.</p>

We apologize for the inconvenience and ask for your understanding. We will contact

you again as the changes above take place.

To reiterate, regardless how the Bitcoin blockchain may split, we consider safeguarding customer assets to be our utmost priority, and we will continue to handle coins on the respective blockchains going forward.²

We will continue analyzing and researching the Bitcoin blockchain(s) in order to minimize risk to our customers. Lastly, we strongly hope that the Bitcoin ecosystem, which has been supported by its users since 2009, will continue to grow in a stable fashion going forward.

As members and stakeholders in this community, we will continue doing everything we can to contribute.

¹ This is based on current conditions as of July 19, 2017; our measures may be subject to change pursuant to ongoing changes in the Bitcoin ecosystem.

² If we decide that the BCC split is not permanent, there is a possibility we will not credit users with Bitcoin Cash. In that case, our company will not be responsible for any damages that result.

³ In the event of a split, countermeasures against replay attacks are necessary. Without these countermeasures, there is a risk that transactions on one chain may also affect balances on another unintentionally. However, the implementation of these countermeasures may become unnecessary due to the current Bitcoin Cash specifications under discussion as of July 27, 2017. Please be assured that we will implement the necessary countermeasures against replay attacks for the Bitcoin we hold.

⁴ The amount of Bitcoin held in your bitFlyer account can be confirmed under "My Assets" after logging into the bitFlyer homepage, or through bitFlyer Lightning under "Fund Balances" on the Funds menu. Any Bitcoin in your margin deposit (Lightning FX/Futures Account) is also included in the calculation of your current balance. Be careful not to confuse this balance with the balance for your bitFlyer deposit address on the Bitcoin blockchain.

As of July 27, 2017, the "representative chain" mentioned in the July 19, 2017 press release is designated as BTC, the non-BCC chain. After the BCC split, BTC in our services will solely refer to Bitcoin on the reference chain.

We cannot answer any questions at this time about our decision regarding whether the BCC split will be permanent.

We waive all liability for any damages to clients and/or third parties due to defects, changes, or other deficiencies in the content above.

Open interest (positions) on bitFlyer Lightning FX and Futures is not included in the calculation of Bitcoin balances. (Added July 28th)

Please be assured that your open interest (positions) from prior to the split will not be settled (closed) at the time of the split. (Added July 28th)

Please be aware that the Bitcoin Cash currency code may change. As of July 31st, BCC, BCH, and BC are being considered along with other candidates. (Added July 31st)

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