

Risk Disclosure Statement

Trading and financing trades in Digital Tokens entails certain risks. This risk disclosure statement cannot and does not disclose all risks and other aspects involved in holding, trading, or engaging in financing or financed transactions in Digital Tokens. Risks include, but are not limited to, the following:

1. Market Risk: The market for Digital Tokens is still new and uncertain. No-one should have funds invested in Digital Tokens or speculate in Digital Tokens that she is not prepared to lose entirely. Whether the market for one or more Digital Tokens will move up or down, or whether a particular Digital Token will lose all or substantially all of its value, is unknown. This applies both to traders that are going long and to traders that are shorting the market. Participants should be cautious about holding Digital Tokens.

2. Liquidity and Listing Risk: Markets for Digital Tokens have varying degrees of liquidity. Some are quite liquid while others may be thinner. Thin markets can amplify volatility. There is never a guarantee that there will be an active market for one to sell, buy, or trade Digital Tokens or products derived from or ancillary to them. Furthermore, any market for tokens may abruptly appear and vanish. IBTC makes no representations or warranties about whether a Digital Token that may be traded on the Site may be traded on the Site any point in the future, if at all. Any Digital Token is subject to delisting without notice or consent.

3. Legal Risk: The legal status of certain Digital Tokens may be uncertain. This can mean that the legality of holding or trading them is not always clear. Whether and how one or more Digital Tokens constitute property, or assets, or rights of any kind may also seem unclear. Participants are responsible for knowing and understanding how Digital Tokens will be addressed, regulated, and taxed under applicable law.

4. Exchange Risk (Counterparty Risk): Having Digital Tokens on deposit or with any third party in a custodial relationship has attendant risks. These risks include security breaches, risk of contractual breach, and risk of loss. Participants should be wary of allowing third parties to hold their property for any reason.

5. Trading Risk: In addition to liquidity risks, values in any digital token marketplace are volatile and can shift quickly. Participants in any Digital Tokens market are warned that they should pay close attention to their position and holdings, and how they may be impacted by sudden and adverse shifts in trading and other market activities.

6. Risks Associated with Financing Activities: When you finance a purchase or sale of Digital Tokens on a peer-to-peer basis, you run the risk of losing your provided

financing. Similarly, when you accept financing to enter a trading agreement, you accept the risk of not being able to repay that financing (e.g., if the market price of the Digital Token you purchased with the financing falls). Participants should know all of the terms of any contracts they enter and how their trading strategies and other market and risk factors can affect their financing obligations.

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