InteractiveBrokers

Risk Disclosure for Trading Crypto-Assets with Interactive Brokers Ireland Limited (IBIE)

This Risk Disclosure is intended to inform you of the material risks associated with trading crypto-assets through IBIE. It is not intended to disclose all risks. You should carefully review this disclosure before engaging in any transaction involving crypto-assets. You should also review the Zerohash disclosure on the risks of trading crypto-assets, which is available on its website.

By trading crypto-assets with us, you acknowledge that you have read, understood, and accept the risks described below, and that you are able to bear losses up to the full amount of your investment.

To trade crypto-assets through IBIE, you must agree to IBIE's Crypto-Asset Trading Addendum and enter a User Agreement with **zerohash europe bv** (Zerohash), a Dutch regulated Crypto Asset Service Provider under the Markets in Crypto-Assets Regulation. As set out in the Addendum, IBIE's role is to receive and transmit your trading instructions to Zerohash, which operates a trading platform on which your orders are matched and executed, and which is responsible for the settlement of your order. In addition to your IBIE brokerage account, you will have a separate account with Zerohash, and Zerohash will be solely responsible for the safekeeping of the crypto-assets and funds held in that Zerohash Account.

TRADING IN CRYPTO-ASSETS IS ESPECIALLY RISKY AND IS ONLY FOR CLIENTS WITH A HIGH RISK TOLERANCE AND THE FINANCIAL ABILITY TO SUSTAIN LOSSES IF CRYPTO-ASSET RELATED POSITIONS BECOME UNPROFITABLE. YOU MAY LOSE ALL THE FUNDS YOU HAVE INVESTED IN CRYPTO-ASSETS.

1. **You could lose all the money you invest**. Crypto-asset prices are extremely volatile and can rise and fall quickly. Market, economic, technological or regulatory news may magnify price fluctuations. You should be prepared to lose all the money you invest in crypto-assets. Past performance of any crypto-asset is not indicative of future results.

2. **Crypto-asset investments can be complex**: Investing in crypto-assets can be complex, making it difficult to understand the risks associated with the

investment. You should do your own research before investing. If something sounds too good to be true it probably is.

3. **Crypto-assets are particularly vulnerable to cybersecurity events, including frauds and cyber-attacks**. A cybersecurity event could result in the complete, immediate and irreversible loss of your crypto-assets. In addition, even a minor cyber security event may impact the value of one or more crypto-assets.

4. **You may not be able to sell your investments when you want to**: There is no guarantee that investments in crypto-assets can be easily sold at any given time. The ability to sell a crypto-asset depends on various factors including the supply and demand in the market at the time you want to sell. You may have particular difficulty in selling your crypto-assets in times of stress either at all, or without significant price concession. In addition, operational failings such as technology outages, and cyber-attacks, as well as planned service outages could cause unwanted delay, and you may be unable to sell your crypto-assets at the time you want to sell them.

5. **You may not be able to trade a crypto-asset, including one that you previously traded**. Zerohash and IBIE have discretion as to the crypto-assets that can be traded through them. IBIE may not offer all the crypto-assets offered by Zerohash. IBIE may at any time stop offering services relating to a cryptoasset that it previously offered either because it no longer wishes to provide services in connection with that crypto-asset or because Zerohash has stopped offering that crypto-asset.

6. **Your crypto-asset may be impacted by a Hard Fork**. A hard fork is a significant change to the protocol of a blockchain network that makes previously invalid blocks or transactions valid, or vice versa. This requires all nodes or users to upgrade to the latest version of the software to continue participating in the network. A hard fork may result in more than one version of a network and more than one version of a crypto-asset ("Forked Assets"). Zerohash and/or IBIE may decide not to offer crypto-asset services for one or more Forked Assets.

   You should also be aware of the risks associated with a Hard Fork, including:

   - Security Risks: A Hard Fork can temporarily weaken the network if a significant portion of nodes do not upgrade, making it vulnerable to attacks.

   - Market Volatility: Hard Forks often lead to price fluctuations as investors react to the uncertainty of the split and potential new assets.

   Please review the Zerohash Risk Disclosure and related Zerohash documents for further information.

7. **Airdropped crypto-assets may not be supported by Zerohash and/or IBIE**. Operators of Blockchain Networks, and other interested parties, may offer or issue crypto-assets based on existing ownership or other factors. IBIE has sole discretion whether or not to accept orders to buy or sell Airdropped Crypto Assets, that are supported by Zerohash.

   Please review the Zerohash Risk Disclosure and related Zerohash documents for further information.

8. **IBIE does not custody the assets you hold with Zerohash**. This means that any crypto-assets you purchase or hold in connection with our services are safekept by Zerohash in its capacity as custody service provider. Accordingly, we do not have access to or control those assets. All custody-related risks (operational or technological) relate to Zerohash.

9. **The Investor Compensation Scheme (ICS) does not protect crypto-assets held in your Zerohash Account**. The ICS does not apply to crypto-assets. As Zerohash is regulated by the AFM in the Netherlands, funds held by Zerohash are not protected by ICS either. Consequently, the ICS will not protect assets held in your Zerohash Account should Zerohash become insolvent.

10. **When you submit an order to purchase or sell a crypto-asset you must have enough funds in your IBIE Account to pay for your order, including fees and commission**. You cannot trade crypto-assets on margin. This means that at the time you place an order to buy a crypto-asset with IBIE, you must have enough funds to pay for that order as well as any fees and commissions charged by IBIE and Zerohash. If you do not have sufficient funds, your order is likely to be rejected. Similarly, to instruct Zerohash to sell a crypto-asset held in your Zerohash Account, you must have sufficient funds in your IBIE account to cover the associated fees and commission at the time you place that instruction.

11. **Crypto-Assets and funds held in your Zerohash Account have no Margin Value in your IBIE Account**. IBIE will not take into consideration assets held in your Zerohash Account when determining your IBIE Account's compliance with margin requirements. If you do not have enough equity in your IBIE Account to meet your margin requirements, IBIE may liquidate the assets held in your IBIE Account, irrespective of the value of the assets held in your Zerohash Account.

12. **Risk of Distribution or Interruption of Access to Crypto-Asset Services**. Both IBIE and Zerohash rely on computer software, hardware and telecommunications infrastructure and networking to provide their respective services to you, and without these systems neither can provide you with access to your respective accounts. These systems are inherently vulnerable to disruption, delay or failure, which may cause you to lose access to the IBIE platform or may cause IBIE or Zerohash to be unable to provide crypto-asset trading or quotations or may negatively impact any or all aspects of their crypto-asset services.