

Digital Asset Risk Disclosures

These risk disclosures provide a description of the various risks associated with trading and holding digital assets (also known as cryptocurrencies or crypto assets). The disclosures below do not disclose all of the risks involved, and there may be additional risks that are not foreseen or identified. You acknowledge and accept these risks and will not hold InvestiFi, Inc. or any of its affiliates or subsidiaries responsible for losses arising from such risks.

General

A digital asset is a digital representation of value that functions as a medium of exchange, a unit of account, or a store of value, but it does not have legal tender status. Digital assets are sometimes exchanged for U.S. dollars or other currencies around the world, but they are generally not backed or supported by any government or central bank.

Purchasing digital assets comes with a number of risks, including volatile market price swings or 'flash crashes,' market manipulation, and cybersecurity risks. Trading digital assets requires knowledge of the digital assets markets as well as the underlying software and technology that enable trading digital assets. You should conduct extensive research into the legitimacy of each individual digital asset, including its platform, before investing.

Volatility

The value of digital assets is primarily derived by market forces of supply and demand, and they are more volatile than traditional currencies, which may result in the potential for permanent and total loss of value of a particular digital asset in a short period of time should the market for that digital asset disappear. There is no assurance that a person who accepts a digital asset as payment today will continue to do so in the future.

Under certain market conditions, you may find it difficult or impossible to liquidate a position quickly at a reasonable price. This can occur, for example, when the market for a particular digital asset suddenly drops, or if trading is halted due to recent news events, rumors, unusual trading activity, or changes in the underlying digital asset system. The greater the volatility of a particular digital asset, the greater the likelihood that problems may be encountered in executing a transaction.

In certain extreme instances, markets for certain digital assets may disappear entirely.

Regulatory and Legal Uncertainty

Digital asset markets and exchanges are unregulated and do not have the same controls or customer protections that are afforded in the equity, option, futures, or foreign exchange markets. Digital assets are not covered by NCUA, FDIC or SIPC insurance. Legislative and regulatory changes or actions at the state, federal, or international level may adversely affect the use, transfer, exchange, and value of digital assets.

Security

Digital asset networks may be vulnerable to attacks on security, integrity, or operation, including attacks using computing power sufficient to overwhelm the normal operation of the digital asset's blockchain or other underlying technology. The nature of digital assets may lead to an increased risk of fraud or cyber-attack, and technological difficulties experienced by third parties may prevent the access to or use of your digital assets.

Transactions

Some digital asset transactions will be deemed to be made when recorded on a public ledger, which is not necessarily the date or time that a transaction may have been initiated. Transactions in digital assets may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. In addition to normal market risks, you may experience losses due to one or more of the following: system failures, hardware failures, software failures, network connectivity disruptions, and data corruption.

Technology Changes

Any individual digital asset may change or otherwise cease to operate as expected due to changes made to its underlying technology, changes made using its underlying technology, or changes resulting from an attack. These changes may include, without limitation, a "fork," a "rollback," an "airdrop," or a "bootstrap." Such changes may dilute the value of an existing digital asset or position and/or distribute the value of an existing digital asset position to another digital asset. Any digital asset may be cancelled, lost, or double spent, or otherwise lose all or most of their value, due to forks, rollbacks, attacks, or failures to operate as intended.

Select Regulatory Advisories

Below is a selection of regulatory advisories and alerts on digital assets. This is not a complete list, and the advisories and alerts have not been reviewed by InvestiFi for accuracy.

[CFPB Consumer Advisory](#)

[CFTC Customer Advisory](#)

[NFA Investor Advisory](#)

[SEC Investor Alert](#)

[FINRA Investor Alert](#)

[CFTC Customer Advisory - Beware Virtual Currency Pump-and-Dump Schemes](#)

[CFPB Complaint Bulletin 2022](#)