

Risk Disclosure Policy

This risk disclosure policy outlines various risks associated with trading crypto-assets.

[View and download the Risk Disclosure.](#)

This risk disclosure policy is part of the Terms of Service, the Bitdenex User Agreement. The definitions used but not defined herein are defined in the User Agreement.

User uses the Bitdenex Services entirely at their own risk. By accepting the Terms of Services, including the User Agreement, User also accepts and consents to the risks as included in this Risk Disclosure Policy. This Risk Disclosure Policy includes some of the most principal risks of using the Services, but it cannot and does not include all risks involved in using the Services.

Trading with crypto-assets has its risks and through it, you can lose all or part of your investment. Always do your own research and choose whether to invest and how to invest yourself. Crypto-assets can be very volatile and the past performance is not indicative of future results.

Specific risks include:

- **Counterparty Risk:** Transactions in crypto-asset markets carry exposure to counterparties, such as exchanges, brokers, and other trading entities. There is a risk that counterparties may fail to fulfill their obligations, encounter financial difficulties, or face regulatory actions, potentially resulting in loss of assets or interrupted trading operations.
- **Market Liquidity and Depth:** Large size trades may encounter liquidity challenges, especially in volatile or less liquid crypto markets. Sudden liquidity shortages or market shifts can lead to unfavorable pricing or execution delays, impacting trade efficiency.
- **Regulatory and Compliance Risk:** Regulatory environments for crypto-assets vary significantly across jurisdictions and are subject to change. New regulations or changes to existing laws may affect market access, compliance costs, and reporting obligations. This evolving landscape can influence trading strategies and asset classifications.
- **Technology and Infrastructure Dependence:** Reliable access to advanced technology is essential for trade execution and monitoring. Trading platforms, blockchain networks, and other infrastructure components may be vulnerable to outages, technical failures, or latency, which could delay transaction processing and affect operational reliability.

- Price risk: Crypto-assets are highly volatile, with prices subject to sudden and significant fluctuations. Factors such as market sentiment, supply and demand dynamics, macroeconomic conditions and regulatory developments can drive rapid changes in crypto-asset prices. This volatility can lead to substantial financial losses, particularly for investors who are not familiar with the inherent risks of crypto-asset markets. Price risks are exacerbated during periods of market uncertainty, low liquidity, or high leverage, where small changes in market conditions can lead to larger price implications. Investors in crypto-assets may lose some or all of their original investment.

Volatility

Crypto-assets has a volatile nature and a User can incur a substantial and even a full loss of Funds by buying and trading crypto- assets. Before trading crypto-assets, a User should define its User's risk tolerance and its financial position, and should not trade with Funds which cannot be lost in its entirety.

User should always take into account that any execution price of a Market Order may differ significantly from the indicated price. Due to the (high) volatile nature of crypto-assets, this may change in the price between the time of the Order being initiated by User and the execution of the Order (i.e. 'slippage'). Execution of Orders during periods of high volume, illiquidity, fast movement or volatility, can be affected and may be executed at a different rate than indicated via the Services at the time of Users Order. User should be aware of the involved high risk while trading and placing Order for crypto-assets during these high volatility periods.

Each market or Orderbook of a particular crypto-asset has its own degrees of liquidity. Many crypto-assets are having enough liquidity while others may not have enough liquidity. This means that not many User are willing to trade in that particular crypto-asset, which may cause low or not enough liquidity in the market. In case of low liquidity in a certain market, may have potential increased risk of loss because they can experience high volatility of prices and in such markets market participants may find it impossible to liquidate market positions except at very unfavorable prices. There is no guarantee that the markets for any crypto-asset allow you to establish or liquidate positions at favorable prices or will be even active and liquid when desired.

Account Security

Crypto Asset Service Providers and their clients' accounts are targeted frequently by hackers and individuals seeking unauthorized access to User Funds, which may lead to User Funds being irretrievably lost. It is User's sole responsibility to safeguard its

account, with a strong password and activates two factor authentication ("2FA"). The 2FA is required for Users account at Bitdenex.

Human Errors

It is User's sole responsibility to ensure any transactions are performed to the correct crypto wallets while transferring and depositing crypto-assets. Due to the nature of the protocols underlying Services, and the blockchains, transactions cannot be reverted in any situation.

Functioning of the Platform

The trading platform and/or the trading app, may be degraded during periods of high volume and high volatility, which may result in limitations on access to User's Account and any of the Services, including the inability to initiate or complete transactions. This may also lead to support response time delays.

Information errors

All information, data, (marketing) materials provided on the Website, blog website, the Trading Platform or otherwise by Bitdenex are purely for informational purposes and may change without notice. In case of any information may be misleading, incomplete or erroneous, User can contact the Customer support team of Bitdenex to verify its legitimacy. User should always take responsibility for assessing the relevance, accuracy, adequacy, and reliability of any information provided and double check with other relevant information sources.