



RISK DISCLOSURE STATEMENT

These risk disclosures supplement LGO's Terms of Use and Service (the "*Terms*") applicable to all LGO Accounts and any separate contract(s) entered into by Client and LGO. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Terms.

Last updated: March 22, 2020

I. GENERAL RISKS

Client acknowledges and accepts that the use of the LGO Services is entirely at its own risk. LGO does not provide any financial, investment, business, accounting, tax, legal, or other advice to Client. All Transactions are executed based on Client instructions, and Client is solely responsible for determining whether any investment, investment strategy, or Transaction is appropriate for Client based on its own personal investment objectives, financial circumstances, and risk tolerance.

II. RISKS ASSOCIATED WITH DIGITAL ASSETS

In addition, Client acknowledges and accepts the following risks associated with Digital Assets:

- a) Risk of Loss: Digital Assets may be subject to significant price movements and volatility, which involves a high degree risk of capital loss that may be substantial and occur over a short period of time. The value of Digital Assets may be derived from or influenced by the continued willingness of market participants to exchange fiat currency for Digital Assets, which may result in the potential for permanent and total loss of value of a particular Digital Asset should the market for that Digital Asset to disappear. There is no assurance that a person who accepts a Digital Asset as payment today will continue to do so in the future;
- b) Liquidity Risks: The market for Digital Assets vary and some Digital Assets may be more liquid than others. There is no guarantee that any asset listed on the LGO Platform will be available in the future and LGO reserves the right to delist any Digital Asset from the LGO Platform at any time without notice or consent;



c) Legal Risks: Digital Assets are not legal tender or backed by any government, and as such, have fewer regulatory protections. The legal status of Digital Assets in the jurisdiction in which Client is located may be undetermined or unclear. Legislative and regulatory changes or actions at the national, state, or international level may adversely affect the use, transfer, exchange, and value of Digital Assets. Client is solely responsible for ensuring that its use of the LGO Services complies with all applicable laws, rules, and regulations;

d) Tax Risks: Similarly, the tax status of Digital Assets may be undetermined or unclear in Client's jurisdiction and Client could have questions regarding Client's obligation to declare or report holdings or transactions in Digital Assets to the applicable tax authority. Client understands that it is its sole responsibility to determine whether and to what extent their use of the LGO Services is covered by tax laws and regulations in Client's jurisdiction;

e) Transactional Risks: Transactions in Digital Assets may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. Some Digital Asset Transactions may be deemed to be made when recorded on a public ledger, which is not necessarily the date or time that the Client initiates or completes the Transactions on the LGO Platform. LGO is not liable for unauthorized, mistaken, or accidental transfers. If Client mistakenly or accidentally transfer Digital Assets, or if an unauthorized transfer occurs or Client believes their LGO Account has been compromised, Client must notify LGO immediately;

f) Custody Risks: LGO Accounts and value balances are not subject to the protections or insurance provided by the Federal Deposit Insurance Corporation, the Securities Investor Protection Corporation, or any similar protection or insurance regime available for traditional financial assets. LGO's use of third party technology providers for the custody of Client Digital Assets has attendant risks, which include security breaches, risk of contractual breaches, errors in handling, and risk of complete loss;

g) Security Risks: The nature of Digital Assets may lead to an increased risk of fraud or cyber-attack. This means that any technological difficulties experienced by LGO may prevent the access or use of a Client's Digital Assets. LGO may experience sophisticated cyberattacks, unexpected surges in activity, or other operational or technical difficulties that may cause interruptions in the Services. Client is solely responsible for securing its LGO Account



information, including its Account Login Credentials. LGO is not responsible in the event of fraudulent access to Client's LGO account;

h) Digital Asset Networks and Forks Risks: Digital Asset blockchains may Fork, and LGO may not support the Forked Digital Asset promptly or at all. Network Forks may result in system outages or Downtime of the LGO Platform. Digital Assets blockchains may become congested or become nonoperational because of attacks, bugs, hard forks, or other unforeseeable reasons; and

h) Other Risks: This list of risks is non-exhaustive and there may be additional risks not contemplated by this list or the LGO Terms of Use and Service.

III. MARKET MAKERS ON THE LGO PLATFORM

Client agrees and acknowledges that: (a) one or more Market Makers may be appointed by LGO, paid fees, or loaned funds or Digital Assets under an agreement to promote liquidity on the LGO Platform, and any such Market Makers may enter into Transactions with Client as Counterparty; (b) Market Makers may maintain positions in various Digital Assets as part of their market making activities, including positions in Digital Assets that are contrary to Client's positions; and (c) under no circumstances shall any of the Indemnified Parties be responsible or liable for any direct or indirect losses (including loss of profits, business or opportunities), damages or costs suffered by Client or any other person or entity as a result of the market making activities of the Market Makers.