

RISK DISCLOSURE STATEMENT

ANY TRANSACTIONS INVOLVING THE TRADE AND FINANCING TRADES INCLUDING THE CRYPTOCURRENCY ENTAILS CERTAIN RISKS. THIS RISK DISCLOSURE STATEMENT CANNOT AND MAY NOT BE ABLE TO FULLY DISCLOSE ALL THE RISKS AND OTHER ASPECTS INVOLVED IN TRADING, OR ENGAGING IN HOLDING, FINANCING OR FINANCED TRANSACTIONS IN CRYPTOCURRENCY. THUS, IT IS FULLY RECOMMENDED BEFORE TAKING A LEVERAGED POSITION, YOU SHOULD ENSURE THAT YOU UNDERSTAND THE RISKS INVOLVED AND CONSIDER YOUR LEVEL OF EXPERIENCE AND ALL THE POTENTIAL RISKS. YOU SHOULD ALSO CAREFULLY CONSIDER DARICO LIMITED. TERMS AND CONDITIONS AND TO THE EXTENT NECESSARY, CONSULT AN APPROPRIATE LAWYER, ACCOUNTANT, OR A TAX PROFESSIONAL PRIOR TO GETTING INVOLVED IN THE TRADE OR FINANCE TRADE. PLEASE CONSIDER THAT RISKS CAN INCLUDE, BUT ARE NOT LIMITED TO, THE FOLLOWING:

1. **Market Risk:**

The market for cryptocurrency is still new and uncertain. No-one should have funds invested in cryptocurrency or speculate in cryptocurrency that he/she is not prepared to lose entirely. Whether the market for one or more cryptocurrency will move up or down, or whether a particular cryptocurrency 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 cryptocurrency.

2. **Liquidity and Listing Risk:**

Markets for cryptocurrency 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 cryptocurrency or products derived from or ancillary to them. Moreover, any market for cryptocurrency may abruptly appear and vanish. Darico Limited makes no representations or warranties about whether a cryptocurrency that may be traded on the <https://darico.io/> any point in the future, if at all. Any cryptocurrency is subject to delisting without notice or consent.

3. **Legal Risk:**

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

some jurisdictions cryptocurrency might be considered to be a security, or that it might be considered to be a security in the future. Darico Limited does not give warranties or guarantees that any cryptocurrency are not a security in all jurisdictions. You are bound to check if acquisition and disposal of cryptocurrency is legal in your jurisdiction, You undertake not to use cryptocurrency should their use not be legal in the relevant jurisdiction. If You establish that the use of cryptocurrency is not legal in Your jurisdiction, You should not use cryptocurrencies, not acquire them and should immediately stop using or possessing them if such a case arises.

4. Exchange Risk:

Having cryptocurrency 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.

You hereby acknowledge that Darico Limited is not responsible for any losses or damages of any kind arising either directly or indirectly from a withdrawal of funds from your account by a third party due to the loss of credentials

You hereby also acknowledge that Darico Limited is not responsible for any losses or damages of any kind arising either directly or indirectly from the sending of cryptocurrency to the wrong wallet address during the withdrawal of funds from their Darico Limited account

You hereby further acknowledge that any cryptocurrency may be lost if sent to the wrong address (for example but without limitation, if the address is improperly formatted, contains errors, or is intended to be used for a different type of cryptocurrency). You accept that Darico Limited is not responsible for any losses or damages whatsoever arising directly or indirectly due to any such errors.

5. Trading Risk:

In addition to liquidity risks, values in any digital token marketplace are volatile and can shift quickly. Participants in any cryptocurrency 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 cryptocurrency 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 cryptocurrency 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.

You acknowledge that any cryptocurrency may be cancelled, lost or double spent, or otherwise lose all or most of their value, due to forks, rollbacks, Attacks, changes to cryptocurrency Properties or failure of the cryptocurrency to operate as intended. You accept that Darico Limited is not responsible for any losses or damages whatsoever arising directly or indirectly due to the occurrence of any such event.

You accept and acknowledge that Darico Limited shall have, and maintain, the right to refuse orders to establish new or larger positions or to buy or sell Instruments.

You accept and acknowledge that Darico Limited shall have the right to reduce the size of your open positions. Darico Limited will inform you as soon as practicable regarding such reduction and the reason hereof.

7. Risk of theft and hacking:

Hackers or other groups or organizations may attempt to interfere with the Website or the availability of cryptocurrency in any number of ways, including without limitation denial of service attacks, Sybil attacks, spoofing, smurfing, malware attacks, or consensus-based attacks. You hereby agree that Darico Limited shall have no liability for any such loss You incur.

8. Risk of security weaknesses in the Website and/or cryptocurrency source code or any associated software and/or infrastructure:

There is a risk that the Website and cryptocurrency may unintentionally include weaknesses or bugs in the source code interfering with the use of or causing the loss of cryptocurrency.

9. Risk of weaknesses or exploitable breakthroughs in the field of cryptography:

Advances in cryptography, or technical advances such as the development of quantum computers, could present risks to cryptocurrencies which could result in the theft or loss of cryptocurrency.

10. Internet transmission risks:

You acknowledge that there are risks associated with using the cryptocurrency including, but not limited to, the failure of hardware, software, and Internet connections. You acknowledge that Darico Limited shall not be responsible for any communication failures, disruptions, errors, distortions or delays You may experience when using the Website and cryptocurrency, howsoever caused.

You acknowledge that you may be prevented from sending a transaction request, or a transaction request or email may not be received by Darico Limited or the Services, due to hardware, software or services issues (including, without limitation, Internet and other

network connectivity issues). You accept that Darico Limited is not responsible for any loss or damage whatsoever arising directly or indirectly due to any such issues.

11. Taxation:

You bear the sole responsibility to determine if the purchase of cryptocurrency or the potential appreciation or depreciation in the value of cryptocurrency over time has tax implications for You in Your home jurisdiction. By purchasing cryptocurrency and to the extent permitted by law, You agree not to hold any of Darico Limited, its affiliates, shareholders, directors or advisors liable for any tax liability associated with or arising from the purchase of cryptocurrency.

You are solely responsible for withholding, collecting, reporting, paying, and/or remitting any and all taxes to the appropriate tax authorities in such jurisdiction(s) in which You may be liable to pay tax. Darico Limited shall not be responsible for withholding, collecting, reporting, paying, and/or remitting any taxes (including, but not limited to, any income, capital gains, sales, value added or similar tax) which may arise from Yours acquisition of cryptocurrency.

12. Risk associated with the activity of the Market Maker:

You acknowledge that Darico Limited may act as a Market Maker in certain assets.

You acknowledge that Darico Limited, when acting as a Market Maker, may quote you bid and ask prices. Notwithstanding this, you accept that Company name has no obligation to quote prices to you at any time in any given market, nor an obligation to quote prices with a specific maximum spread to you.

You accept that Darico Limited, as a Market Maker, may hold positions that are opposite to your positions, resulting in potential conflicts of interest between Darico Limited and You.

13. Leverage risks:

Please trade with caution when you use leverage in trading or investing. If You do not use leverage properly it can have extreme effects on Your accounts. You can lose a huge amount of money if a trade works against You. Trading and dealing with cryptocurrency high leverage is a high level risk.

It can be very risky for the beginners to use high leverage because You generally do not have enough experience in trading high leverage. You should not trade with it until You get a clear idea how it works.

14. Unanticipated risks:

Cryptocurrencies and blockchains are new and untested technology. In addition to the

risks set forth here, there are risks that Darico Limited cannot foresee and it is unreasonable to believe that such risks could have been foreseeable. Risks may further materialize as unanticipated.