



## Disclosure of Risks of Trading Cryptocurrency Futures And Options

***TRADING IN CRYPTOCURRENCY FUTURES OR OPTIONS ("CRYPTO PRODUCTS") IS ESPECIALLY RISKY AND IS ONLY FOR CLIENTS WITH A HIGH RISK TOLERANCE AND THE FINANCIAL ABILITY TO SUSTAIN LOSSES IF CRYPTO-RELATED POSITIONS BECOME UNPROFITABLE. YOU MAY LOSE MORE THAN YOU INVEST.***

***By applying to trade Crypto Future or Options Products through Interactive Brokers, Client acknowledges and agrees to the following:***

1. Client has reviewed the Risk Disclosure for Futures and Options provided on the IB website and understands that the risks described in that Risk Disclosure apply equally or to a greater degree with respect to trading in Crypto Products. Below is a list of some of the possible risks of trading Crypto Products, but there may be other risks that are not specifically mentioned. Client should consult Client's financial advisor before trading Crypto Products.
2. Crypto futures and options are margin products. Therefore losses (or gains) are magnified. Client acknowledges that Client could lose Client's entire investment and that possible losses are not limited to the funds and equity deposited in the account. Client may be required to pay additional funds to Interactive Brokers to cover losses in Crypto Products.
3. Cryptocurrencies are a "virtual" currencies that is not controlled by any sovereign country and the value of which may not be based on any tangible commodity, security, economic measure or legal obligation of a company or government. Apart from the law of supply and demand, there may be no fundamental or economic basis for valuation of cryptocurrencies and their prices may move randomly.
4. The underlying "cash" markets for cryptocurrencies (the product from which Crypto Futures and Options are derived) are largely unregulated and many are offshore. Underlying cryptocurrency markets may not be subject to registration, licensing or fitness requirements, audit trail or trade reporting rules, market integrity rules, wash sale, spoofing or other anti-fraud rules, disaster recovery or cybersecurity requirements, surveillance requirements, or anti-money laundering rules. Because of these factors, Cryptocurrency markets may be unusually susceptible to fraud and manipulation, which could adversely affect the price of Crypto Products.
5. Cryptocurrency prices, including for Bitcoin and Ether, have been highly volatile historically, with sudden and unexpected upward and downward price swings. This increases the risk of trading Crypto Products.
6. If you have a "short" position in a Crypto Product and market price for that Crypto Product rises, your potential loss is not limited. Depending on how quickly the underlying cryptocurrency prices rise, you may be unable to close your short position and therefore you may be unable to stop or limit the losses you are incurring. This is especially true if the exchanges for Crypto Products halt trading because of a sudden price move. You can suffer similar losses if you have a "long" position in Crypto Products and prices fall.