

RISK DISCLOSURE

This Risk Disclosure and the Terms and Conditions of Use and Service, Token Purchase and Limited License Agreement, Terms of the Token Distribution Event, Legal Disclaimer and Privacy Policy make a single set of rules which regulates the relationships between you and BULLIONBLOCK Pte. Ltd.

Please read all these documents carefully. Each User must comply with the Terms and Conditions of Use and Service, the Token Event Terms, Privacy Policy, Legal Disclaimer and the Token Purchase and Limited License Agreement, available through links within the Smart-Contract and/or on the official website: www.bullionblock.money

1. Demand for Cryptocurrency. Cryptocurrency 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. Cryptocurrencies are sometimes exchanged for U.S. dollars or other currencies around the world, but they are not generally backed or supported by any government or central bank. Their value is completely derived by market forces of supply and demand, and they are more volatile than traditional currencies. The value of cryptocurrency may be derived from the continued willingness of market participants to exchange fiat currency for cryptocurrency, which may result in the potential for permanent and total loss of value of a particular cryptocurrency should the market for that cryptocurrency disappear.

2. Government Approval. Cryptocurrencies are not covered by either 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 cryptocurrency. Purchasing cryptocurrencies comes with a number of risks, including volatile market price swings or flash crashes, fraud, market manipulation, and cyber security risks. In addition, cryptocurrency markets and exchanges are not regulated with the same controls or customer protections available in equity, option, futures, or foreign exchange investing. There is no assurance that a person who accepts a cryptocurrency as payment today will continue to do so in the future. Investors should conduct extensive research into the legitimacy of each individual cryptocurrency, including its platform, before investing.

3. Blockchain Risk. The features, functions, characteristics, operation, use and other properties of the specific cryptocurrency may be complex, technical, or difficult to understand or evaluate. The cryptocurrency may be vulnerable to attacks on the security, integrity or operation, including attacks using computing power sufficient to overwhelm the normal operation of the cryptocurrencies blockchain or other underlying technology. Some cryptocurrency 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.

4. Superior Knowledge. Cryptocurrency trading requires knowledge of cryptocurrency markets. In attempting to profit through cryptocurrency trading you must compete with traders worldwide. You should have appropriate knowledge and experience before engaging in substantial cryptocurrency trading. Any individual cryptocurrency 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 cryptocurrency position and/or distribute the value of an existing cryptocurrency position to another cryptocurrency. Any cryptocurrency 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.

5. Technological Risk. The nature of cryptocurrency means that any technological difficulties experienced by Bullionblock may prevent the access of your cryptocurrency. Any surety bonds or insurance maintained by Bullionblock for the benefit of its customers may not be sufficient to cover all losses incurred by customers. Cryptocurrency trading can be extremely risky. Cryptocurrency trading may not generally be appropriate, particularly with funds drawn from retirement savings, student loans, mortgages, emergency funds, or funds set aside for other purposes. Cryptocurrency trading can lead to large and immediate financial losses. The volatility and unpredictability of the price of cryptocurrency relative to fiat currency may result in significant loss over a short period of time.

6. Liquidity Risk. Transactions in cryptocurrency may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable. 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 cryptocurrency suddenly drops, or if trading is halted due to recent news events, unusual trading activity, or changes in the underlying cryptocurrency system. The greater the volatility of a particular cryptocurrency, the greater the likelihood that problems may be encountered in executing a transaction. 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.

7. Regulatory Risk. Regulation of tokens token sales, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges currently is undeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the development, growth, adoption and utility of the cryptocurrency. Failure by the Fund or certain issuers of cryptocurrency to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines. Until recently, little or no regulatory attention has been directed toward cryptocurrency by state governments, foreign governments and self-regulatory agencies. As cryptocurrencies have grown in popularity and in market size, various governments have begun to examine the operations of the cryptocurrency issuers, users and cryptocurrency exchanges.

8. Government Prohibition. Although currently cryptocurrencies are not regulated or is lightly regulated in most countries, some countries may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use cryptocurrency or to exchange cryptocurrency for fiat currency. Such an action may also result in the restriction of ownership, holding or trading in cryptocurrency.

9. Price Volatility. The prices of cryptocurrencies are extremely volatile. Fluctuations in the price of cryptocurrencies could materially and adversely affect our business, and the value of the Fund's portfolio may also be subject to significant price volatility. The prices of cryptocurrency have historically been subject to dramatic fluctuations and are highly volatile. Several factors may influence the market price of cryptocurrencies, including, but not limited to:

- a. Global Blockchain asset supply;
- b. Global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions on their use;
- c. Purchaser's expectations with respect to the rate of inflation;
- d. Changes in the software, software requirements or hardware requirements underlying cryptocurrency
- e. Changes in the rights, obligations, incentives, or rewards for the various users of cryptocurrency
- f. Interest rates;
- g. Currency exchange rates, including the rates at which cryptocurrency may be exchanged for fiat currencies;
- h. Fiat currency withdrawal and deposit policies of blockchain asset exchanges on which cryptocurrency may be traded and liquidity on such exchanges;
- i. Interruptions in service from or failures of major blockchain asset exchanges on which cryptocurrency may be traded;
- j. Investment and trading activities of large investors, including private and registered funds, that may directly or indirectly invest in cryptocurrencies;
- k. Monetary policies of governments, trade restrictions, currency devaluations and revaluations;

- l. Regulatory measures, if any, that affect the use of blockchain assets such as cryptocurrency
- m. Government and quasi-government regulation of cryptocurrency, and other blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- n. The maintenance and development of the open-source software protocol of the cryptocurrency networks;
- o. Changes in consumer demographics and public tastes and preferences;
- p. The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- q. General economic conditions and the regulatory environment relating to cryptocurrencies; or
- r. A decline in the popularity or acceptance of cryptocurrency or other blockchain-based tokens would adversely affect our results of operations;

Moreover, a decrease in the price of a single cryptocurrency may cause volatility in the entire blockchain asset industry and may affect other blockchain assets. For example, a security breach that affects holders of a particular cryptocurrency may negatively impact holders of other cryptocurrencies, or user confidence in any one cryptocurrency may affect the industry as a whole and may also cause the price of all cryptocurrencies and other blockchain assets to fluctuate.

Contacting Us

If you have any questions about this Risk Disclosure, please contact us at:

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