

ANNEX IV

Risk information

INVESTMENT IN CRYPTOASSETS IS HIGHLY SPECULATIVE AND VOLATILE, MAY UNDERGO SIGNIFICANT VARIATIONS, MAY NOT BE SUITABLE FOR ALL TYPES OF INVESTORS, AND MAY EVEN LEAD TO TOTAL LOSS OF THE INVESTMENT.

PAY ATTENTION TO THE FOLLOWING INFORMATION REGARDING THE RISKS OF THE INVESTMENT YOU HAVE DECIDED TO MAKE AND ASK ANY QUESTIONS BEFORE STARTING ANY TRANSACTION



RISK INFORMATION

1.1 **High-risk investment:** investment in cryptoassets is highly speculative, highly volatile and not backed by a central bank or other public authorities, and may result in the total loss of the investment. Therefore, a disproportionate exposure of personal assets may not be appropriate. These are complex instruments, which may not be suitable for small investors, and whose price involves a highly speculative component that may even result in the total loss of the investment.

1.2 **Lack of customer protection mechanisms:** investments in cryptoassets are not covered by customer protection mechanisms such as the Deposit Guarantee Fund or the Investment Guarantee Fund.

1.3 **Price formation:** Cryptoasset prices can be formed in the absence of effective mechanisms to prevent their manipulation. Sometimes they can be formed without public information to support them. Cryptoassets can undergo sudden and significant price fluctuations up and down.

1.4 **Lack of liquidity:** Cryptoassets may lack the liquidity necessary to unwind an investment without suffering significant losses, especially since their circulation among investors, both retail and professional, can be very limited.

1.5 **Risk of custodian bank insolvency or resolution:** Even when the customers' cryptoassets are duly separated from the custodian's own assets in accordance with applicable regulations, the custodian's insolvency could entail the lack of recognition of the investor as the owner of the cryptoassets.

1.6 **They are not means of payment:** from the legal point of view, cryptoassets are not classified as a means of payment and therefore it is not obligatory to accept them as such to meet debts or other obligations.

1.7 **Risks of theft, fraud or loss:** the loss or theft of private keys can cause the following risks the loss of the crypto-assets, with no possibility of recovering them.

1.8 **Risks inherent to technology:** Distributed ledger technologies are still at an early stage of maturity, with many of these networks having been created recently, so they may not be sufficiently tested and there could be significant flaws in their operation and security. The registration of transactions in networks based on distributed ledger technologies works through consensus protocols that may be susceptible to attacks that attempt to alter said record and, if these are successful, there would be no alternative record to support said transactions nor the balances corresponding to the public keys, and all crypto assets could be lost

The ease of anonymity that cryptoassets can provide makes them a target for cybercriminals, since if they steal credentials or private keys, they can transfer the cryptoassets to addresses that make their recovery difficult or impossible.

VERY IMPORTANT. It is essential that before investing in cryptoassets, you consider all the associated risks and assess whether you have sufficient information to understand this product and the services.