

LUME TRADE Digital Asset Risk Disclosure Statement

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1 OVERVIEW

Trading digital assets on Lume Trade's platform involves risks that you should understand before getting started. By using the platform and our services, you agree that you are aware of and accept these risks. This statement explains the main risks of digital asset transactions and holdings.

2 RISKS

- 2.1 **Transaction Finality:** Once a digital asset transaction is confirmed on the blockchain, it cannot be reversed. If you send assets to the wrong address, enter the wrong amount, or fall victim to fraud, you will not be able to recover your funds. We are not responsible for losses caused by user mistakes or fraud.
- 2.2 **Price Volatility:** Digital assets can change in value very quickly, sometimes within a short period. This means you could make large profits or suffer big losses, including losing all the money you invest. Every amount you invest is at risk.
- 2.3 **Limited Legal Remedies:** You may not have legal recourse if you have issues with the developers, issuers, or systems behind certain digital assets. No one, including Lume Trade, is required to buy back or provide liquidity for any digital asset at any time.
- 2.4 **Regulatory Risk:** Laws and regulations for digital assets are different in each country and can change quickly. New rules may affect whether digital assets are legal, how you can use them, or their value, which could lead to financial loss.
- 2.5 **Cybersecurity Threats:** Digital asset platforms are at risk of hacking, unauthorised access, and data breaches, which could put your funds and personal information at risk. While security measures are in place, no system can offer total protection from all threats.

- 2.6 **Market Liquidity Risk:** The value of any digital asset is determined solely by market demand and available liquidity. Declining interest or market participation can cause lasting depreciation or render an asset effectively worthless, leading to potential total loss.
- 2.7 **Tax Obligations:** You are responsible for figuring out and paying any taxes related to your digital asset activities. If you do not follow tax laws, you may face penalties, interest, or legal action from tax authorities.
- 2.8 **Technical Problems:** Network outages, or maintenance outside of our control, may interrupt platform operations and stop you from trading or accessing your assets. These issues can happen without warning and may last for an unknown amount of time.
- 2.9 **Stablecoin Exposure:** Even assets called stablecoins have risks, such as losing their value, changes in the value of their backing assets, or the issuer failing. You take on all risks when you hold or use stablecoins, no matter what stability features they claim to have.