



Risk Disclosure Statement

This Risk Disclosure Statement outlines the material risks involved in engaging in Virtual Asset activities. Clients should carefully consider these risks before participating in any Virtual Asset transactions. By engaging in and using MKX's services, you accept and acknowledge the following risks:

- **Market Volatility:** Virtual asset markets are highly volatile and can experience rapid price fluctuations. Prices can be unpredictable, leading to the potential for substantial gains or losses in a short period. MKX cannot guarantee the stability of prices, and clients should be prepared for such volatility.
- **Value Volatility:** Virtual Assets may lose their value in part or in full. Prices can fluctuate significantly within short periods, leading to potential losses.
- **Transferability and Irreversibility:** Virtual Assets may not always be transferable, and some transfers may be irreversible. Once a transaction is executed, it cannot be undone, even if it was made in error or due to fraud. Clients should ensure accuracy before confirming any transaction.
- **Liquidity Risks:** Market liquidity may vary, impacting on your ability to buy or sell digital assets quickly. Illiquid markets can result in delays or price deviations, potentially affecting your trading experience. Virtual Assets may not be liquid, and the ability to convert them into cash or other assets quickly might be limited.
- **Transaction Privacy:** Some transactions are not private and may be recorded on public Distributed Ledger Technologies (DLTs). This means transaction details, including amounts and wallet addresses, may be visible to the public, potentially compromising privacy.
- **Fraud and Security Risks:** Protecting your digital assets and personal information is essential. MKX takes stringent security measures to safeguard your assets. Nevertheless, risks such as hacking, cyberattacks, and unauthorized access to your account can never be entirely eliminated. Virtual Assets may be subject to fraud, manipulation, and theft, including through hacks and other targeted schemes, and may not benefit from legal protections.
- **Regulatory Risks:** The regulatory environment for digital assets varies by jurisdiction and is subject to change. As a UAE-based broker and dealer service provider, MKX adheres to local



regulations. However, changes in regulations or legal interpretations can affect the availability and legality of our services.

- **Technological Risks:** The functionality and security of Virtual Assets depend on underlying technologies, which may include open-source software and public blockchains. Technical issues or outages, whether caused by system maintenance, network problems, or other factors, can disrupt activities. Any vulnerabilities, bugs, or failures in these technologies can impact the availability and security of Virtual Assets.
- **Loss of Capital:** Investing in digital assets involves the risk of losing some or all of your capital. Ensure you are willing and able to withstand the financial risks associated with these services before participating.
- **Market Knowledge:** Successful experience often requires a good understanding of market dynamics, trends, and strategies. Ensure that you are well-informed and have a clear strategy before engaging in trading activities.
- **Diversification:** Diversifying your investments can help mitigate risk. Avoid putting all your capital into a single asset or market.
- **No Investment Advice:** MKX's services are designed to facilitate Virtual Assets trading. We do not provide financial or investment advice. It's essential to conduct your own research and consider your financial goals and risk tolerance.

By using MKX's Virtual Assets broker and dealer services, you acknowledge and accept these risks. We strongly advise you to deal responsibly and be aware of the potential consequences. Digital asset trading is not suitable for everyone, and it's crucial to invest only what you can afford to lose.

Please reach out to our customer support team if you have any questions or require further information at contact@mkx.ae.