



BLACKMOON

RISK DISCLOSURE NOTICE

I RISK WARNING

Due to the fact that digital currency and digital token markets are unregulated and decentralized, the provision of our services is not governed by any investor protection rules. Investment in digital currency carries a high degree of risk and volatility and is not suitable for every investor; therefore, you should not risk the capital you cannot afford to lose. Please consult an independent professional financial or legal advisor to ensure the product meets your objectives before you decide to invest.

Under no circumstances shall Blackmoon have any liability to any person or entity for (a) any loss or damage in whole or part caused by, resulting from, or relating to any transactions related to the digital currencies or (b) any direct, indirect, special, consequential or incidental damages whatsoever. Please consider our Risk Disclosure and our Terms and Conditions before using our products. Social media posts about Blackmoon platform are generated by members of Blackmoon community and do not contain advice, recommendations or solicitation on behalf of Blackmoon. You are not permitted to use, alter or reproduce or distribute any of Blackmoon images and/or content, including but not limited to text, graphics, video, audio, software code, interface design or logos without our prior written consent.

In making an investment decision, Investors must rely on their own examination of the Virtual Financial Assets, including the merits and risks involved, and each Investor is urged to consult its own advisers as to legal, business, tax, regulatory, accounting, financial and other consequences of its investment in the digital currencies.

All capitalized terms in this document shall have the meaning as specified in the Terms and Conditions of the Blackmoon Trading Platform.

GENERAL

This notice provides you with information about the risks associated with investing in digital currencies, but it cannot explain all of the risks nor how such risks relate to your personal circumstances. If you are in doubt you should seek professional advice.

By using the Trading Platform and investing in digital currencies, the investor represents that s/he has sufficient knowledge and responsibility in investment decisions and willing to assume the risks involved. It is important that you fully understand the risks involved and that you have adequate financial resources to bear such risks.

RISK FACTORS

1. DIGITAL CURRENCY RISKS

- 1.1. **High-risk investment:** The digital token market decentralized, largely unregulated and highly volatile. As a new and rapidly developing market, it may be subject substantial and unpredictable disruptions that cause significant volatility in the prices of the digital currencies. We cannot assure you that the market, if any, for the digital currencies will be free from such disruptions or that any such disruptions may not adversely affect your ability to sell your Digital Currency at a favourable price. Therefore, you should never invest funds that you cannot afford to lose.
- 1.2. **Liquidity Risk:** The markets for digital tokens are driven by supply and demand. At any point in time, there may be a scarcity of investors willing to trade a particular digital currency. Lack of liquidity in a particular digital currency can lead to difficulties in selling your holdings at a favourable price.
- 1.3. **Absence of a Regulated Market:** Digital tokens are not traded on regulated markets and, for the most part, are not subject to regulatory supervision on market manipulation or abuse as well as intervention from a central bank or a regulatory authority.
- 1.4. **Execution Risk:** The prices displayed on the platform are indicative prices and do not necessarily reflect the price at which the trade is executed. Indicative quotes only give an indication of where the market is. Because the digital currency markets are decentralized, each exchange market maker may quote different prices. Therefore, any prices displayed by Blackmoon will only reflect “indicative” prices and not necessarily actual “dealing” prices where trades can be executed.
- 1.5. **Delisting Risk.** If at any time any of the Digital Currencies used within the Trading Platform is delisted and/or We no longer support such Digital Currency for any reason, then the outstanding transactions via the Trading Platform with the use of such Digital Currency will be immediately closed.

2. REGULATORY RISKS

- 2.1. Regulation of digital tokens, Digital Currency, blockchain technologies, and cryptocurrency exchanges currently is largely 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 in various countries are currently considering, or may in the future consider, laws, regulations, guidance, or other actions, which could adversely impact your ability to liquidate your digital currency tokens holdings.

3. SAFEKEEPING RISKS

- 3.1. The Digital Currency you transfer to your wallet on the Trading Platform will not be maintained in segregated client accounts.
- 3.2. Blockchain assets are controllable only by those who know the unique private cryptographic key relating to the network address at which the blockchain assets are held. The security of your digital token holdings largely depends on the safekeeping of the private keys to your wallet. Please keep it safe and do not share it with third parties. Loss of a private key can lead to not only a loss of your holdings but also to various other security breaches on the Platform.

4. COUNTERPARTY RISKS

- 4.1. Blackmoon operates a trading platform that matches and transmits client orders. Blackmoon is not a counterparty to any trade and has no financial responsibility for the performance of obligations of any of the parties to the trade. The risk of counterparty default or inability to honor the obligations under a trade or agreement may lead to financial losses in your digital token trades.

5. BLOCKCHAIN RISKS

5.1. Blockchain Risks. Blockchain is an autonomous, decentralized peer-to-peer network that is not controlled by a central party. Blackmoon holds no responsibility or liability for any failure and/or mistake and/or error and/or breach which shall occur in blockchain or in any other networks in which the digital currencies are being issued and/or traded. Blackmoon is also not responsible for the performance of the blockchain networks, their functionality or breach in security.

5.2. Forks. The underlying blockchain protocols are subject to sudden changes in operating rules ("Forks"), and such Forks may materially affect the value, function, and/or even the name of the digital currencies you hold. In the event of a Fork, we may temporarily suspend the Platform operations (with or without advance notice to you) and that we may (a) configure or reconfigure its systems or (b) decide not to support (or cease supporting) the Forked protocol entirely.

5.3. The suitability of the networks Blackmoon's business or the functionality of the Trading Platform depends upon a variety of factors, including:

- The effectiveness of the informal groups of (often uncompensated) developers contributing to the protocols that underlie the networks;

- Effectiveness of the network validators (sometimes called "miners") and the networks' consensus mechanisms to effectively secure the networks against confirmation of invalid transactions;
- Disputes among the developers or validators of the networks;
- Changes in the consensus or validation schemes that underlie the networks, including without limitation shifts between so-called "proof of work" and "proof of stake" schemes;
- The failure of cybersecurity controls or security breaches of the networks;
- The existence of other competing and operational versions of the networks, including without limitation so-called "forked" networks;
- The existence of undiscovered technical flaws in the networks;
- The development of new or existing hardware or software tools or mechanisms that could negatively impact the functionality of the systems;
- The price of blockchain assets associated with the networks;
- Intellectual property rights-based or other claims against the networks' participants;
or
- The maturity of the computer software programming languages used in connection with the networks.

Unfavorable developments or characteristics of any of the above circumstances may have a material adverse effect on a Blackmoon's business or the functionality of the Trading Platform.

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