



## Risk Disclosure for Trading Digital Assets with Zero Hash Through IBKR's Platform

Important Information Regarding Trading Digital Assets with Zero Hash Interactive Brokers LLC ("IBKR") offers clients the ability to access digital asset trading and custody services (the "Zero Hash Services") in an account in client's name (the "Zero Hash Account") at Zero Hash LLC (together with its affiliate Zero Hash Liquidity Services, LLC, "Zero Hash") through IBKR's electronic trading software. The digital assets in your Zero Hash Account are carried at Zero Hash while all other assets are carried in your IBKR account. Fiat currency is carried in your IBKR account and may also be carried in your Zero Hash Account if you designated that account as your source of payment for digital asset purchases pursuant to the *Supplement to Interactive Brokers LLC Client Agreement in Connection with Trading Digital Assets with Zero Hash* ("Payment Source Account") and moved fiat currency into that account in anticipation of purchasing digital assets. You should carefully consider the risks below before making a decision to utilize the Zero Hash Services.

1. **Trading Of Digital Assets is Risky.** Digital asset prices are highly volatile and can rise or fall dramatically and quickly. If you hold a position in digital assets and the value of the asset falls, you can lose money. You should carefully consider your financial circumstances and your risk tolerance before trading digital assets with Zero Hash and you should not trade digital assets unless you have the financial capability to sustain losses if they occur. You should be aware that you may sustain a total loss of the assets in your Zero Hash Account.
2. **No Investment Advice, Recommendations, Or Tax Advice.** IBKR does not provide investment, tax, or trading advice or recommendations. By making digital assets available to you, neither IBKR nor Zero Hash makes any assessment, representation, or warranty concerning the appropriateness or suitability of digital assets for your financial circumstances. The Zero Hash Services are "execution only." IBKR and Zero Hash will not advise you on any transaction. Neither IBKR nor Zero Hash will assess whether your transactions are suitable for you or help you avoid losses. You should obtain your own financial, legal, taxation, and other professional advice as to whether digital assets are appropriate investments for you.
3. **Digital Asset Holdings Are Not Covered By FDIC or SIPC.** In general, US broker-dealers cannot custody non-securities digital assets. Therefore, US brokers seeking to offer their clients the ability to trade digital assets must work with another entity (a "Crypto Broker/Custodian") which is suitably licensed, and at which clients trading digital assets have separate accounts in their own name. These Crypto Broker/Custodians are not broker-dealers, and so SIPC coverage does not apply to accounts at Crypto Broker/Custodians. Likewise, most Crypto Broker/Custodians are not insured banks, and digital assets are not cash, so FDIC coverage does not apply to digital assets held in accounts at Crypto Broker/Custodians.

IBKR has selected Zero Hash as a Crypto Broker/Custodian with which to work. By requesting trading permissions for digital assets through IBKR's platform, you are opening an account in your name at Zero Hash (the previously mentioned Zero Hash Account). All trading you do in digital assets through IBKR's platform will be executed in your Zero Hash Account (and not an account at IBKR), and Zero Hash will be your custodian and counterparty for those trades, which means that Zero Hash holds your digital assets for you and represents your ownership of them on their internal ledger. **As explained above, the holdings in your Zero Hash Account are not protected by FDIC or SIPC insurance in the event of Zero Hash' or IBKR's insolvency.**

Notwithstanding the above, because IBKR is a member of the National Futures Association (the "NFA"), IBKR is required to provide you with the following disclosure in connection with trading digital assets / "virtual currencies":

INTERACTIVE BROKERS LLC IS A MEMBER OF NFA AND IS SUBJECT TO NFA'S REGULATORY OVERSIGHT AND EXAMINATIONS. HOWEVER, YOU SHOULD BE AWARE THAT NFA DOES NOT HAVE REGULATORY OVERSIGHT AUTHORITY OVER UNDERLYING OR SPOT VIRTUAL CURRENCY PRODUCTS OR TRANSACTIONS OR VIRTUAL CURRENCY EXCHANGES, CUSTODIANS OR MARKETS.

4. **Trading Hours May Be Limited; Zero Hash Web Interface; Stop Loss Orders.** Digital assets generally trade 24/7, and their prices may change dramatically over the weekend. But your ability to access your Zero

Hash Account through IBKR's platform, including purchasing or selling digital assets over the weekend, may be limited. Please visit IBKR's public website for additional detail on trading hour limitations.

To mitigate this risk, Zero Hash will make available to you at <https://ibkr.zerohashforclients.com> on a best-efforts-basis, a separate web-based interface (the "Zero Hash Web Interface"). Through the Zero Hash Web Interface, you can view digital asset positions at any time, and you can place orders to close (or reduce) positions in digital assets at times when IBKR's platform is unavailable for trading. If you have designated your Zero Hash Account as your Payment Source Account, you may also place buy orders directly with Zero Hash through the Zero Hash Web App, subject to the requirement that buy orders must be fully funded (including commission) when placed.

5. **Digital Asset Purchases Must Be Fully Funded When Orders Are Submitted.** You are responsible for ensuring that there is sufficient cash available in your designated Payment Source Account to fully fund your purchase of digital assets at the time you submit an order. If you have designated your Zero Hash Account as your Payment Source Account, you are responsible for transferring cash from IBKR to Zero Hash before placing a buy order. If you have designated your IBKR brokerage account as your Payment Source Account, IBKR will transfer cash from your IBKR brokerage account to Zero Hash when you execute a trade to purchase digital assets. Orders that are not fully funded will be rejected.
6. **The Digital Asset Market Is Highly Speculative And Extremely Volatile.** The market for digital assets can be extremely volatile. The price of digital assets may be influenced by, among other things, the performance of the economy as a whole; new or amended government regulation; the changing supply and demand relationships for digital assets; governmental, commercial and trade programs and policies; interest rates; technological developments; inflation; national and international political and economic events; statements by internet celebrities; social media sentiment; and the prevailing psychological characteristics of the relevant marketplace.
7. **Digital Assets Custodied with Zero Hash Will Have No Margin Value In Your IBKR Account.** The assets (whether digital or cash) custodied in your Zero Hash Account will not be assigned any margin value. Such digital assets will not be considered in determining your IBKR account's compliance with either securities or commodities margin requirements. If you have insufficient equity in your IBKR account to meet your margin requirements, the assets in your IBKR account may be liquidated.
8. **Digital Assets Carry Liquidity Risk.** Zero Hash is not obligated to provide quotes for digital assets at any time, and neither Zero Hash (nor IBKR) guarantee the continuous availability of quotations or trading for digital assets on Zero Hash' or any other digital asset exchanges. Zero Hash may in its sole discretion cease quoting digital assets and/or cease entering new digital asset transactions at any time.
9. **You Will Pay Commissions For Trading Digital Assets.** Zero Hash will charge commissions on your digital asset trades. For more details on the commissions, please see <https://www.interactivebrokers.com/en/pricing/commissions-cryptocurrencies.php>.
10. **Your Agreement with Zero Hash Governs Your Zero Hash Account.** Your Zero Hash Account is governed by the Zero Hash User Agreement ("Zero Hash Agreement"). You should read the Zero Hash Agreement carefully and understand the terms of your relationship with Zero Hash.
11. **You Are Not Permitted To Short Digital Assets.** Short sales of digital assets are prohibited. The inability to open short digital asset positions may negatively impact your ability to protect against trading losses.
12. **The Digital Assets Available to You Are Limited and Subject to Change.** The digital assets available for trading in your Zero Hash Account are limited. Zero Hash or IBKR may further limit the available digital assets to be traded on the IBKR platform at their own discretion and without prior notice to you. A complete list of available digital assets that may be purchased in your Zero Hash Account through IBKR's platform is available at <https://www.interactivebrokers.com/en/pricing/products-cryptocurrencies.php>.
13. **Risk Of Disruption Or Interruption Of Access To Zero Hash Account.** Both IBKR and Zero Hash rely on computer software, hardware and telecommunications infrastructure and networking to provide their respective services to you, and without these systems neither can provide you with access to your respective accounts. These computer-based systems and services such as those used by Zero Hash are inherently vulnerable to disruption, delay or failure, which may cause you to lose access to the IBKR trading platform and thereby your Zero Hash account or may cause IBKR or Zero Hash not to be able to provide digital asset quotations or trading, or may negatively affect any or all aspects of Zero Hash's services. Under the IBKR Client Agreement, you accept the IBKR systems and services "As-Is" and IBKR's liability to you is limited.

14. **Other Important Information Covered by Zero Hash Agreement.** If at any time you wish to transfer some or all of your digital asset holdings in your IBKR-linked Zero Hash account out of your IBKR-linked Zero Hash account and into an independent Zero Hash account (from which you can then continue to freely trade such assets or transfer them to other addresses on the blockchain), please see the Zero Hash Agreement for instructions on how you may do so. In the event that IBKR ceases operations, Zero Hash will contact you to transfer the holdings in your IBKR-linked account to an independent account, in accordance with the Zero Hash Agreement.