



# Risk Disclosure

**September 2021**

## A. Risk Disclosure

1. This Risk Disclosure provides “you” or “the user” with information about certain risks associated with the use of all applications and platforms owned/ operated by Primestack Pte. Ltd and/or Neblio Technologies Pvt. Ltd. (hereinafter collectively known as “CoinDCX” or “We” or “us”).
2. The information presented in the form of this Risk Disclosure is neither comprehensive nor exhaustive and the user is advised to consider all supplementary, associated and other risks before accessing any platform, application, service or offering of CoinDCX (“Services”).
3. The user hereby agrees and acknowledges the various risks associated with cryptocurrency investment and trading. Capitalized terms not defined herein shall have the same meaning assigned to them under the Terms of Use. Upon accessing and using the Services, you hereby represent and warrant that you have read the terms of this Risk Disclosure.
4. Use of Services – The user agrees that the use of Services involves trading related risks and there is no assurance that the use of the CoinDCX platform or Services would provide a positive return or profit, irrespective of the time frame of investing. It is vital that the user has relevant knowledge and information before entering into any financial transaction or contract or making any financial commitment in general. The user(s) should always consult with their financial/ legal/ tax or relevant professional advisors before accessing or using the Services. Services would also include any purchase/ sale of Digital Assets and the user’s ability to purchase Digital Assets through CoinDCX is contingent on CoinDCX’s ability to source such Digital Assets from third party providers. In view of the foregoing, CoinDCX makes no representation, warranty or promise regarding the timing or ability to purchase Digital Assets using the CoinDCX Platform.
5. Price volatility – Digital Assets are highly unpredictable, volatile and their value is subject to frequent fluctuations which may be upward or downward. The user hereby acknowledges the volatile nature of such Digital Assets and understands that a particular Digital Asset may even become worthless. Technical and market factors are outside the control of CoinDCX. The users should carefully consider and evaluate whether trading or holding Digital Assets is suitable for them in light of their financial condition. Digital Assets/ cryptocurrency trading requires knowledge of relevant markets. Any individual cryptocurrency may change or otherwise cease to operate as expected due to changes made to its underlying technology, changes made using its underlying technology, or changes resulting from an attack. These changes may include, without limitation, a “fork,” a “rollback,” an “airdrop,” or a “bootstrap.” Such changes may dilute the value of an existing cryptocurrency position and/or distribute the value of an existing cryptocurrency position to another cryptocurrency. Any cryptocurrency may be cancelled, lost or double spent, or otherwise lose all or most of their value, due to forks, rollbacks, attacks, or failures to operate as intended.

6. Accuracy of information – CoinDCX endeavours to timely update the information, material and content displayed on its website and applications. However, the information is provided on an “as is” basis and without any warranty. CoinDCX hereby disclaims any responsibility or liability for the accuracy, content, completeness, legality, or reliability of the information contained on this website.
7. No warranties, promises and/or representations of any kind, expressed or implied, are given as to the nature, standard, accuracy or otherwise of the information provided in our website or any of our mobile application/ software.
8. Liquidity risks – Derivative trading of Digital Assets (including those traded on any CoinDCX platform) may be riskier, less liquid, more volatile and more vulnerable to economic, political, market, industry, regulatory and other changes than other derivative contracts. The liquidity of the market for contracts on CoinDCX platform will inter alia depend on supply and demand on the platform and the commercial and speculative interest in the market for these contracts.
9. Markets for Digital Assets can at times become what is known as “illiquid,” which means there can be a scarcity of persons who are willing to trade at any given time. Thinly traded or illiquid markets have an increased risk of loss because they can experience high volatility of prices and in such markets market participants may find it impossible to liquidate market positions except at very unfavourable prices. There is no guarantee that the markets for any Digital Assets will be active and liquid or permit you to establish or liquidate positions in the Digital Assets when desired or at favorable prices. A lack of liquidity in any market for contracts traded on the CoinDCX platform may result in delays in order execution and some orders may not be executed at all; these effects may be exacerbated where an order is large. The User hereby understands that placing contingent orders, such as “stop-loss” or “stop-limit” orders, will not necessarily limit your losses to the intended amounts, since these order types are not guaranteed, and market conditions may make it impossible to execute such orders.
10. Regulatory risks – The legal and regulatory environment regarding cryptocurrencies, Digital Assets has been unclear. Moreover, it may vary across different jurisdictions. In India, Digital Assets, virtual currencies/ cryptocurrencies are unregulated at the moment. The use of Services will be subject to regulatory changes and the user is expected to comply with any rule, regulation, guideline, notification or law as may be applicable to the CoinDCX platform or use of the Services. Depending on the specific circumstances and jurisdictions involved, Digital Assets may be classified as a commodity, currency or any other asset or financial product. Users are responsible for understanding how such Digital Assets are addressed, regulated, and taxed under laws applicable to the users. The user hereby understands that regulatory actions and change in laws may negatively impact the holding and trading of Digital Assets. Although, Digital Assets are unregulated or lightly regulated in several jurisdictions, one or more countries including but not limited to India, may enforce strict regulatory actions in the future that shall place a complete ban on the right to acquire, own, hold, sell, transfer or use Digital Assets for fiat currency or

even generally. CoinDCX hereby disclaims all liabilities, third party claims and associated risks occurring or arising to the user on account of any such regulatory risks. The user agrees that while using the Services the user shall comply with any applicable law in the jurisdiction to which the user is subject to.

11. Account related risks: The user hereby agrees that CoinDCX shall have a right to freeze user account(s) including any Digital Assets wallet and/or any sub-account, in the event CoinDCX believes that the user is engaged in suspicious activity or is in breach of any of the Terms of Use including this Risk Disclosure. In the event any account is frozen, the user will not be able to trade or to make transfers to or from said account.
12. Risks of commingling: The fiat and Digital Assets transferred into any user account, including any Digital Assets wallet and/or any sub-account, may be commingled with fiat and Digital Assets of other users of CoinDCX and its Services. CoinDCX may also internally transfer the Digital Assets of any user into any wallet account of any of the affiliate companies of CoinDCX.
13. Cybersecurity and Information Technology related risks: The User confirms and accepts that there are risks associated with using an internet-based platform. This may inter alia include software errors; hardware failure; delayed updates; and loss of Internet connection.
14. Malicious individuals, groups or organisations may attempt to interfere with our Services or the CoinDCX platform in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, coordinated attacks, account takeovers and submitting fake transactions (including spoofing) which could negatively affect our Services, its availability and the value traded on the CoinDCX platform.
15. With the increased use of technologies and the dependence on computer systems to perform necessary business functions, digital assets and the Services are susceptible to operational and information security risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include but are not limited to gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyberattacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial of service attacks on infrastructure. Cyber security failures or breaches of the third-party service providers (including, but not limited to, software providers, cloud services providers, index providers, the administrator and transfer agent) could have a negative impact on Digital Assets and the Services.
16. It is the responsibility of the user to ensure that any given access credentials are kept secure and confidential, including the email, username, and password, as well as access to or use of any two-factor authentication hardware, software, or secret and the security and integrity of any systems (both hardware and software) that may be required to use/ access the Services.

17. Indemnity: The User agrees to indemnify and hold harmless CoinDCX, its officers, employees and agents against any and all liability, expenses (including attorney's fees) and damages arising out of claims resulting from use of this website by the users or any of their representatives, including without limitation, any claims alleging facts that if true would constitute a breach by user of terms contained herein and the Terms of Use.
  
18. Disclaimer and Limitation of Liability: The user acknowledges and agrees that apart from the risks highlighted in this Risk Disclosure, there may be additional risks to the user on account of use of the Services or the CoinDCX platform. The user assumes all risks associated with the use of the CoinDCX platform or the Services and CoinDCX or its affiliates shall not undertake any liability or responsibility towards the user or any third party in respect of any liability or expenses or damages arising out of the risks highlighted in this Risk Disclosure or the Terms of Use.