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Foreword

Blockchain and crypto-assets are generating great public interest, both for individuals and businesses.

While these new technologies offer many investment and profit opportunities, they also carry significant risks of total or partial capital loss.

It is therefore essential that customers understand and assess these risks before investing through the Bitstack application.

The following paragraphs setting out the main risk factors relating to investment in crypto-assets are not exhaustive. Other risks, unknown to Bitstack or not significant at this time, may have a significant impact on an investment in Crypto-Assets.

In addition, Bitstack reminds its customers that Crypto-Assets are not covered by either Investor Compensation Schemes under Directive 97/9/EC or Deposit Guarantee Schemes under Directive 2014/49/EU.

Prior to any investment decision, customers are invited to carefully review all the information contained in this document, and in particular the Risk factors described below.

In particular, customers must carry out their own analysis and assessment of all considerations related to an investment in Crypto-Assets and the risks related to Bitstack, its business and its financial situation. They are also invited to consult their own financial or legal advisors regarding the risks arising from an investment in Crypto-Assets and the suitability of such an investment in view of their own personal situation.

Risk of illiquidity

Illiquidity can be defined as the difficulty or impossibility of selling or trading a crypto-asset at or near its market value within a specified period of time.

The consequences of illiquidity on crypto-assets can lead investors to lose their investments due to a great difficulty in converting their investments into euros, a significant drop in the price of their assets, a significant delay in the monetisation of their assets and vulnerability to the volatility of crypto-asset markets.

Security risk

The security risks associated with crypto-assets are real, significant and must be taken seriously by our users ■

It is important that our customers participate in protecting their assets, either by implementing a

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combination of good practices in managing their Bitstack accounts (activating strong authentication to access their account, keeping the means of access to their wallet strictly confidential), as well as by remaining constantly vigilant against the threats of identity theft and fraud.

Risk of scams and fraud

The crypto-assets sector is unfortunately fertile ground for various forms of scams and fraud. The relative novelty of these technologies, combined with a complex regulatory environment, attracts imaginative fraudsters who seek to exploit investors' gullibility or lack of experience.

Understanding the most common types of scams and knowing how to guard against them is essential for any investor.

Bitstack investors and users should be aware of these risks and take precautions to avoid falling victim to scammers. By being vigilant, taking a cautious approach and gathering information beforehand, it is possible to reduce these risks.

Technological risk

As Blockchain technology is an innovative and complex technology, failing to understand it can expose investors to costly and often unrecoverable mistakes. It is therefore essential to exercise due diligence, to stay informed and to adopt solutions adapted to one's level of expertise to minimise these risks.

Risk of investor guarantee or protection

While there are deposit, account and securities protection schemes that guarantee the assets of bank customers, there is currently no guarantee or repayment scheme for investments in crypto-assets.

Bitstack

Thus, if a crypto-assets service provider defaults, there is no compensation fund to cover the losses suffered by users.

Regulatory risk

In France, crypto-asset service providers are obliged to comply with a European regulatory corpus supervised by the AMF (French Financial Markets Authority).

To check the status of the platform or application you are using, first check the status on the dedicated lists published by the AMF and available at the following link;

<https://www.amf-france.org/fr/espace-epargnants/protger-son-epargne/listes-blanches>

If it is not on this list, be **very** careful before investing.