

# Risk Disclosure Statement

## Introduction

This Risk Disclosure Statement is intended to provide clients of Lutron s.r.o. with essential information about the risks associated with transactions in crypto-assets. This document is part of our commitment to transparency and client protection, in accordance with Article 66(3) of the Markets in Crypto-Assets Regulation (MiCA).

## General Risks

1. **Market Risk:** Crypto-assets are highly volatile and can experience significant price fluctuations. The value of your investments may decrease rapidly and substantially. The volatile nature of crypto-assets can result in significant financial losses.
2. **Liquidity Risk:** Some crypto-assets may have limited liquidity, making it difficult to buy or sell them at your desired price.
3. **Operational Risk:** Technical issues, such as system outages, cyber-attacks, or disruptions in blockchain networks, can impact your ability to access your funds.
4. **Regulatory Risk:** Changes in laws or regulations governing crypto-assets may adversely affect their value or the operations of exchanges and service providers.

## Specific Risks

1. **Crypto-to-Fiat and Crypto-to-Crypto Exchanges:** Engaging in the exchange of crypto-assets to fiat or other crypto-assets involves risks related to market volatility, liquidity, and potential delays in transaction processing.
2. **Custodial Risk:** Holding crypto-assets on exchange entails custodial risk. In the event of a security breach, your assets could be compromised.
3. **Technology Risk:** Crypto-assets rely on blockchain technology, which can be susceptible to bugs, hacks, or forks, potentially affecting the stability and value of your investments.
4. **Irreversibility Risk:** Transactions in crypto-assets are irreversible. Once a transaction is confirmed, it cannot be undone. This means that if you send crypto-assets to the wrong address or if your account is compromised, it may not be possible to recover your funds.

## Other Risks

1. **Lack of Deposit Insurance:** Crypto-assets in your Account are not subject to applicable deposit insurance protection.
2. **Tax Implications:** Please be aware that the proceeds from the sale of crypto-assets and related income may be subject to taxes, levies, duties, or other charges imposed by authorities in your jurisdiction, including possible withholding taxes. The legal and tax treatment of crypto-assets can be unclear and subject to change. Current interpretations or practices may evolve, and new laws may be introduced or applied retrospectively. It is advisable to consult with a tax professional to understand the potential tax obligations related to your crypto-asset activities.

## **Fees and Charges**

Clients should be aware of all applicable fees, including trading fees, withdrawal fees, and any other charges associated with the use of our platform. These fees can impact your overall investment returns.

## **Risk Mitigation**

We recommend that clients:

1. **Understand Your Investment:** Ensure that you fully understand the nature of the crypto-assets and services you are engaging with.
2. **Stay Informed:** Keep yourself updated on market trends, regulatory changes, and news related to crypto-assets.

## **Conclusion**

Investing in and exchanging crypto-assets involves significant risk and may not be suitable for all investors. It is essential to carefully consider your financial situation, investment experience, and risk tolerance before participating in crypto-asset transactions. By using our services, you acknowledge that you understand and accept these risks.