

**IT IS VERY IMPORTANT THAT YOU READ AND UNDERSTAND THE
FOLLOWING RISKS OF CRYPTOCURRENCY TRADING IN YOUR
ETORO USA LLC ACCOUNT**

Investing involves risk. This is especially the case when investing in a novel asset class such as cryptocurrencies, which are offered to eToro USA customers through eToro USA LLC (“eToro USA”), a money services business. Investing in cryptocurrencies can result in the loss of your entire investment, and such loss can happen quickly.

The eToro USA investment platform contains many references about cryptocurrency investment risks, but this document was created to emphasize these risks to investors even more. Please review the following risks that are relevant to cryptocurrency trading:

- Cryptocurrency is not legal tender, is not backed by the government, and cryptocurrencies are not subject to Federal Deposit Insurance Corporation ([FDIC](#)) or Securities Investor Protection Corporation ([SIPC](#)) protections;
- The volatility and unpredictability of the price of cryptocurrency relative to fiat currency may result in significant loss over a short period of time;
- Legislative and regulatory changes or actions at the state, federal, or international level may adversely affect the use, transfer, exchange, and value of cryptocurrency;
- Transactions in cryptocurrency may be irreversible, and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable;
- Some cryptocurrency transactions shall be deemed to be made when recorded on a public ledger, which is not necessarily the date or time that the customer initiates the transaction;
- The value of cryptocurrency may be derived from the continued willingness of market participants to exchange fiat currency for cryptocurrency, which may result in the potential for permanent and total loss of value of a particular cryptocurrency should the market for that cryptocurrency disappear;
- There is no assurance that a person or entity who accepts a cryptocurrency as payment today will continue to do so in the future;
- The nature of cryptocurrency may lead to an increased risk of fraud or cyber attack;
- The nature of cryptocurrency means that any technological difficulties experienced by eToro may prevent the access or use of a customer’s cryptocurrency;
- eToro USA relies on certain services provided by its global affiliates, including trading and custody support, when providing customers access to cryptocurrency trading;
- There are trading and other fees associated with the trading and transfer of cryptocurrency. This includes a 1% fee for each purchase and sale of cryptocurrency. Learn more about those fees on [eToro USA’s fees webpage](#);
- Any bond or trust account maintained by eToro USA for the benefit of its customers may not be sufficient to cover all losses incurred by customers. Also, as noted above, no FDIC insurance covers cryptocurrency losses.

- eToro USA offers its customers a personal cryptocurrency wallet through a separate mobile application where a customer may send or receive the cryptocurrencies supported by the wallet. The use of that wallet involves unique risks, such as the possibility of losing assets if you send cryptocurrency to the incorrect wallet. Please review eToro USA's separate [customer agreement for this wallet](#) to learn more about the features and risks of this wallet.

In addition to reviewing the above, customers should do additional research before investing in a specific cryptocurrency. eToro USA's [Disclosure Library](#) and [Customer Agreement](#) includes additional information. Federal regulators have also published many resources you may find helpful, including the websites [here](#) and [here](#).

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Please note that stock, ETF, and options trading is offered through eToro USA Securities Inc., which is an SEC-registered broker-dealer, FINRA member, and a different entity than eToro USA LLC. You can review the [Disclosure Library](#) for disclosures about stock, ETF, and options trading.