Robinhood Cryptoasset Risk Disclosure

Effective: 4 August 2025

IT IS IMPORTANT THAT YOU READ AND FULLY UNDERSTAND THE FOLLOWING RISKS OF BUYING, SELLING AND HOLDING CRYPTOASSETS IN YOUR ROBINHOOD ACCOUNT.

This Cryptoasset Risk Disclosure provides a non-exhaustive overview of risks that you may be exposed to while buying, selling and holding cryptoassets in your Robinhood account, and should be read along with the Robinhood Europe, UAB ('Robinhood', 'RHEU', 'we', 'our', 'us') customer agreement, as part of the terms of our contract with you. You must read it carefully and ensure you understand it fully. Robinhood Europe is authorised and regulated by the Bank of Lithuania as a financial brokerage firm (license number LB002288) and cryptoasset service provider (license number LB 002294). Terms not otherwise defined in this Risk Disclosure have the meanings given to them in the RHEU Client Agreement.

General risk of trading cryptoassets

1. **By using the services, you accept the risks of buying, selling and holding cryptoassets**. Investing in, buying, and selling cryptoassets involves a variety of risks that are not present when investing in, buying, and selling products in other, more traditional asset classes. You acknowledge that (i) you are solely responsible for understanding and accepting the risks involved in investing in, buying, and selling crypto-assets, (ii) Robinhood has no control or influence over such risks, subject to the terms of this Agreement; and (iii) Robinhood shall not be liable for any loss in value of cryptoassets that occurs in connection with these risks, either directly or indirectly, or for the loss or theft of cryptoassets from third-party venues used by Robinhood for trading.

2. **Cryptoasset values can fluctuate quickly and materially**. You understand that the value of cryptoassets and any unsupported forked cryptoasset can fluctuate substantially, which may result in a significant or total loss of the value of the assets held in your Account, or any unsupported forked cryptoasset. You acknowledge that Robinhood will not be liable for any loss in value of the cryptoassets or unsupported forked cryptoassets at any time. Without limiting the foregoing, you acknowledge that particularly during periods of high volume, illiquidity, fast movement or volatility in the marketplace for any cryptoasset, the actual market rate at which a market order or trade is executed may differ from the prevailing rate indicated via the cryptoasset Trading Services at the time of your order or trade.

3. **Access to cryptoasset supplies may be limited.** The availability of cryptoassets to Robinhood for provision through trade orders, and Robinhood's ability to deliver these assets, depends on third-party providers outside Robinhood's control. In certain market conditions, it may be difficult or impossible to liquidate a position. This could happen if the market reaches a daily price fluctuation limit or if there is insufficient liquidity. Furthermore,

Robinhood neither owns nor controls any of the protocols that are used in connection with cryptoassets and their related networks, including those resulting from a fork. Accordingly, Robinhood disclaims all liability relating to such protocols or to any change in the value of any cryptoassets, whether forked assets or others, and makes no guarantees regarding the security, functionality, or availability of such protocols or networks. You accept all risks associated with the use of the services to conduct transactions, including risks in connection with the failure of hardware, software and internet connections.

4. **Risks associated with regulation:**

   4.1. ***Your investment in cryptoassets is not protected by any government insurance, government compensation scheme, or any private insurance purchased by Robinhood.*** Please note that, in most cases, financial services compensation schemes do not cover investments in cryptoassets as they are not considered ‘specified investments’ under the relevant regulatory regimes; in other words, this type of investment is not recognised as one that warrants guarantees or protection.

   4.2. ***The regulatory status of cryptoassets and distributed ledger technology may be unclear or unsettled in certain jurisdictions.*** The acceptance of cryptoassets as a medium of exchange is still limited and there is no legal obligation to accept them. It is difficult to predict how or whether regulatory agencies may apply existing regulation in respect of cryptoassets. Similarly, it is difficult to predict whether or how legislatures or regulatory agencies may implement changes to the law and regulations affecting cryptoassets in the future. Regulatory action could have a negative impact on cryptoassets in various ways. For example, a cryptoasset could be deemed a regulated financial instrument requiring registration or licensing.

5. **Pricing and execution risks.** Robinhood may execute orders on behalf of clients or transmit an order to a third party. In such cases, please note that the price of cryptoassets can fluctuate significantly within short periods of time due to various factors, including market demand, regulatory changes, and general market sentiment. Due to delays in processing or changes in market conditions during execution, the price at which you execute a trade may differ from the price displayed when you place your order. Additionally, the execution of your trade may be delayed or may not occur at all during periods of high volatility or low liquidity. This could result in a less favourable price than anticipated, or even a failure to execute the transaction at your desired price. Cryptoasset markets are decentralised and often fragmented, meaning that prices can vary between different platforms or exchanges.

6. **Risk of phishing and/or social engineering.** SMS and email services are vulnerable to spoofing and phishing attacks. If you have any uncertainty regarding the authenticity of any communication or notice, you should always log into your account to review any transactions or required actions. Phishing attacks often occur via search engines, ads in search engines, or other fraudulent links, despite SMS, email or equivalent services.

7. **Additional risks**. Additional risks of investing in cryptoassets include, but are not limited to, the following:

7.1. Cryptoassets are not legal tender. They operate without a central authority or banks, and are not backed by any government.

7.2. Cryptoassets are a new technological innovation with a limited history. They are a highly speculative asset class and, as such, have experienced high volatility in the past, including periods of extreme volatility. It is likely that they will continue to do so in the future. The volatility and unpredictability of the price of cryptoassets relative to fiat currency may result in significant loss over a short period of time.

7.3. Cryptoassets are virtual products, and they may become delisted or unsupported at any time. This means they may no longer be offered for sale or exchange on markets, and if this happens, the cryptoassets may become worthless.

7.4. Cryptoassets could become subject to forks and various types of cyberattacks, including a ‘51% Attack’ or a ‘Replay Attack’.The nature of cryptoassets may lead to an increased risk of fraud or cyberattacks.

7.5. Transactions in cryptoassets may be irreversible, and accordingly, losses due to fraudulent or accidental transactions may not be recoverable.

7.6. Trading platforms on which cryptoassets are traded, including exchanges that may be used by ROBINHOOD to support the execution of trade orders, may cease operation or shut down due to fraud, technical glitches, hackers or malware. Such platforms may also be more susceptible to fraud and security breaches than established, regulated exchanges for other financial products.

7.7. Due to the nature of cryptoassets, any technological difficulties experienced by Robinhood may prevent users from accessing or using their cryptoassets.

7.8. Some cryptoasset transactions are deemed to be made when recorded on the public ledger, which may not correspond to the date or time on which the transaction was initiated.

7.9. The open-source, decentralised protocol of a peer-to-peer computer network supporting a cryptoasset could be affected by internet disruptions, fraud, or cybersecurity attacks. Such a network may not be adequately maintained or protected by its participants.

7.10. Legislative and regulatory changes or actions at the state, federal or international level may adversely affect the use, transfer, exchange and value of cryptoassets.

7.11. A cryptoasset could decline in popularity, acceptance or use, thereby impairing its price and liquidity. The value of cryptoassets may be derived from market participants’ continued willingness to exchange fiat currency for the cryptoassets.

This could result in a permanent and total loss of value should the market for that cryptoasset disappear. There is no assurance that a person who today accepts a cryptoasset as payment will continue to do so in the future.

Risks of trading meme coins

Trading in meme coins carries significant risk due to their speculative nature and lack of intrinsic value. Meme coins are a type of cryptocurrency often inspired by internet memes, characters, current events or trends. They are typically purchased for entertainment, social interaction and cultural purposes. The value of meme coins is driven primarily by market demand and speculation.

The risks of trading meme coins include, but are not limited to, the following:

- **Market volatility:** Meme coins often experience significant market price volatility due to speculation and hype, which could potentially lead to substantial financial loss for traders. Purchasers should not expect to profit.
- **Limited or no utility:** Meme coins typically have limited or no utility or functionality, and often lack intrinsic value. Many meme coins lack practical applications, relying primarily on community interest and online trends rather than underlying technology or real-world use cases.
- **Market manipulation:** The prices of meme coins may be susceptible to increased risk of market manipulation. Certain meme coins have reportedly led to significant losses of consumer funds, due to wash trading, pump-and-dump schemes, and other forms of market manipulation.