

ARCHITECTX - RISKS OF TRADING PERPETUAL FUTURES

The risks of trading perpetual futures can be substantial and you should carefully consider whether trading in futures is suitable for you in light of your experience, objectives, financial resources and other relevant circumstances.

You must be aware of the risks described below. This does not disclose all of the risks and other significant aspects of trading in futures. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk.

1. Total loss and deficit

Transactions in futures carry a high degree of risk. You may sustain a total loss of the funds that you deposit to establish or maintain a position, and you may incur losses beyond these amounts.

The amount of initial margin is small relative to the value of the futures contract so that transactions are 'leveraged' or 'geared'. A relatively small market movement will have a proportionately larger impact on the funds you have deposited or will have to deposit: this may work against you as well as for you. You may sustain a total loss of initial margin funds and any additional funds deposited with the firm to maintain your position. If the market moves against your position or margin levels are increased, you may be called upon to pay substantial additional funds on short notice to maintain your position. If you fail to comply with a request for additional funds within the time prescribed, your position may be liquidated at a loss, and you will be liable for any resulting deficit.

2. No advice

Architect does not advise on the merits of any particular transaction, trading risks, or tax consequences, and in permitting a trade to be placed, is not providing advice on the financial, investment or taxation treatment merits of the trade. Where Architect provides market information, this is not targeted to you or bespoke to your circumstances, such information should not be construed as investment or financial advice. You trade in Architect's products on the basis of independent decision, with full understanding of the risks of such trading, and not in reliance on any communications from us.

3. Risk-reducing orders or strategies

The placing of certain orders (e.g. 'stop-loss' orders, where permitted under local law, or 'stop-limit' orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as 'spread' and 'straddle' positions, may be as risky as taking simple 'long' or 'short' positions

4. Lack of protection

Funds you deposit are not protected by the Bermuda Monetary Authority or any other regulator. Your funds may not be protected fully or at all protected in the event of cyber attack, loss, negligence or other event leading to loss of funds.

5. Segregation

Whilst Architect will segregate funds and assets belonging to clients from those belonging to the company, your funds and assets may be mingled with those of other clients, exposing you to loss incurred by other clients should the company lack sufficient capital to cover all clients' trading losses.

6. Stablecoins as collateral

A stablecoin does not guarantee price stability. Factors outside of Architect's control may mean that the value of a stablecoin may fluctuate above or below the fiat currency to which it is pegged. Architect cannot control how third parties value a stablecoin. Given the irrevocable nature of blockchain transactions, stablecoin transactions also carry additional operational risk. Architect is not responsible for any losses or other issues that may result from fluctuations in the value of a stablecoin.

7. Legal risk

You are responsible for complying with all laws that are applicable to you and your activity through Architect. You agree that Architect is not responsible for determining whether or which laws and regulations may apply to your transactions, including but not limited to tax laws and regulations. You are solely responsible for reporting and paying any taxes arising from your use of Architect's services.

Stablecoins are particularly exposed to legal and regulatory risks. The legal and regulatory treatment of some stablecoins may change. Regulation of stablecoins globally is unsettled and subject to change. Legal and regulatory treatment varies by jurisdiction. The result of such regulatory and legal risk is that stablecoins deposited as collateral may decrease in value or lose all value. Architect may not be able to return your collateral if prohibited by law.

8. Terms And Conditions Of Contracts

You should understand the terms and conditions of the specific futures which you are trading and associated obligations (e.g., the circumstances under which you may become obligated to make or take delivery of the underlying interest of a futures contract and, in respect of options, expiration dates and restrictions on the time for exercise).

9. Suspension Or Restriction Of Trading And Pricing Relationships

Market conditions (e.g., illiquidity) and/or the operation of the rules of certain markets (e.g., the suspension of trading in any contract or contract month because of price limits or 'circuit breakers') may increase the risk of loss by making it difficult or impossible to effect transactions or liquidate/offset positions.

10. Cyber-attacks and fraudulent activity

Internet based trading exposes you to risk of cyber-attack. This includes (but is not limited to) interventions by way of: distributed denial of service, phishing, hacking, smurfing, malware, and spoofing. Cyber-attacks can lead to total loss of funds and assets.

11. Commission And Other Charges

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

12. Currency Risks

The profit or loss in transactions in foreign currency-denominated contracts (whether they are traded in your own or another jurisdiction) will be affected by fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

13. Trading Facilities

Most open-outcry and electronic trading facilities are supported by computer-based component systems for the order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits may vary; you should ask the firm with which you deal for details in this respect.

14. Electronic Trading

Trading on an electronic trading system may differ not only from trading in an open-outcry market but also from trading on other electronic trading systems. If you undertake transactions on an electronic trading system, you will be exposed to risk associated with the system including the failure of hardware and software. The result of any system failure may be that your order is either not executed according to your instructions or is not executed at all.

ARCHITECT BERMUDA LTD. RISK DISCLOSURE DECLARATION

I hereby declare and acknowledge that the risk of loss in investing in financial futures and any other investment transaction(s) that I may request you to enter into on my behalf can be substantial and that this fact has been duly brought to my attention.

I have read and understood the above risk disclosures.

I understand the nature of such investment, and I have carefully considered whether such investments are suitable for me in light of my circumstances and financial resources. I confirm to you that I, or the organisation I am entering into this transaction on behalf of, is able, financially and otherwise, to assume the risks of such trading. I recognise that guarantees of profit or freedom from loss are impossible and inappropriate in such trading, and I acknowledge that I have received no such guarantees from you or any of your officers or employees and have not entered into this agreement in consideration of or reliance upon any advice, guarantees or similar representations.

Architect Bermuda Limited

[on duplicate for signature by client]

I have read and understood the risk disclosure statement set out above.

I am duly authorised to sign this statement on behalf of:

Name in full: _____

Title: _____

Signature: _____

Date: _____