

# Coinbase Financial Services Europe Ltd

## General Risk Disclosure Statement

### Introduction

This notice is provided by **Coinbase Financial Services Europe Ltd** (“**Coinbase Cyprus**”) in accordance with the Markets in Financial Instruments Directive (Directive 2014/65/EU) and applicable local implementing legislation. Its purpose is to give you a general description of the nature and risks of financial instruments offered or made available by **Coinbase Cyprus**.

This notice **does not disclose all risks** and **does not constitute investment advice**. You should ensure that you understand the nature of the products and services, the extent of your exposure to risk and potential losses, and carefully consider whether these are suitable for your objectives, experience, and financial situation. If you are uncertain, you should seek independent advice from an appropriately authorised financial adviser.

Prices of financial instruments can fall as well as rise, and you **may lose the entire amount invested**.

Unless expressly agreed otherwise, **Coinbase Cyprus does not provide investment advice, personal recommendations, or act as your fiduciary**.

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### Products and Risks

**Coinbase Cyprus** may offer financial instruments including **derivative contracts**, which may reference underlying assets such as indices or crypto-assets. Derivatives may be traded on regulated trading venues.

### Key Risks Associated with Derivatives

- **Leverage Risk**  
Derivatives often involve leverage. A small market movement may have a **proportionately larger impact** on your margin and overall position. Leverage can

amplify both gains and losses.

- **Margin Risk**

You may be required to deposit additional collateral at short notice to maintain positions. Failure to do so may result in the **automatic closure** of your positions at a loss.

- **Market Risk**

Market prices can move rapidly and unpredictably. If the market moves against your position, **you may sustain significant or total losses**.

- **Liquidity Risk**

You may be unable to close or offset a position at the desired time or price due to insufficient market liquidity.

- **Credit / Counterparty Risk**

You are exposed to the risk that a counterparty does not fulfil its obligations. This can result in **partial or complete loss of funds** owed to you.

- **Operational Risk**

Trading systems, platforms, and technology may be subject to malfunction, interruption, cyber-attack, scheduled or unscheduled downtime, or other disruptions which may prevent the execution, cancellation, or modification of orders.

- **Legal and Regulatory Risk**

Laws and regulations applicable to financial instruments and crypto-assets may change, which could **affect the availability, value, transferability, or legality** of your positions.

- **No Rights in the Underlying Asset**

Entering into derivatives **does not grant ownership rights** in any underlying asset. You will not have rights such as voting, governance participation, distribution entitlements, or redemption of underlying assets unless explicitly stated.

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## Insolvency Risk

In the event of the insolvency of **Coinbase Cyprus** or any third party involved in the custody, execution, or clearing of your transaction, your positions may be liquidated and access to assets or collateral may be delayed or unavailable. You may incur **partial or total losses**.

If you are an eligible claimant under the rules of the Investor Compensation Fund, your Account will be protected by the Investor Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. Further information about compensation arrangements can be found in the [Investor Compensation Fund](#) document available on our Site.

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## Taxation

Tax treatment depends on your personal circumstances and may change. You are responsible for determining and meeting your own **tax obligations**, and you should seek advice from a qualified tax professional.

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## Appropriateness

Before providing access to certain instruments, **Coinbase Cyprus** may be required to assess whether they are appropriate for you. If you do not provide sufficient information, or if the assessment indicates the product may be inappropriate, you may receive a warning. You may still choose to proceed at your own risk.

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## Monitoring Responsibilities

You are solely responsible for **monitoring your positions** and managing your exposure at all times. **Coinbase Cyprus** does not monitor your positions or financial circumstances for you.

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## Fees and Costs

You should ensure that you understand all fees, commissions, financing charges, and other costs applicable to your transactions. Fees and costs will **reduce your net returns and increase potential losses**.

[Link to Fee Schedule](#)

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By engaging in transactions in financial instruments, including derivatives, you acknowledge that you understand and accept the risks outlined above and that you may lose all of the funds invested.