

Risk Disclosure

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1. Introduction

This Risk Disclosure explains the principal risks associated with using the Fundscrow platform and the digital asset services made available through it.

Fundscrow provides a technology platform that enables customers to access a range of digital asset services, including cryptocurrency wallets, escrow services, cryptocurrency swaps, virtual payment cards, on-ramp services, off-ramp services, business accounts, mass payouts, API services and other products introduced from time to time.

The use of digital assets involves significant financial, technological and operational risks that differ from those associated with traditional financial products. Before using the Fundscrow platform, you should carefully consider whether digital asset services are appropriate for your financial circumstances, objectives and risk tolerance.

This Risk Disclosure is intended to help customers understand the nature of those risks. It does not identify every possible risk associated with digital assets, blockchain technology or the Fundscrow platform, nor should it be regarded as financial, investment, legal, tax or professional advice.

By creating a Fundscrow account or using any service provided through the platform, you acknowledge that you understand the risks associated with digital assets and accept those risks when choosing to use Fundscrow.

Digital assets are highly volatile and may experience significant fluctuations in value over short periods of time. Customers may lose part or all of the value of their digital assets due to market movements, technical failures, cyber incidents, regulatory changes or other events beyond Fundscrow's control.

Certain Fundscrow services depend upon blockchain networks, payment networks, liquidity providers, banking partners and other authorised infrastructure providers. Interruptions, failures or delays affecting these third parties may impact the availability or performance of the services offered through the platform.

Fundscrow does not provide investment advice, financial advice, tax advice or legal advice. Customers remain solely responsible for assessing the suitability of any transaction, digital asset or service used through the platform and should obtain independent professional advice where appropriate.

This Risk Disclosure should be read together with the Fundscrow Terms and Conditions, Privacy Policy, AML & Compliance Policy, Refund & Disputes Policy and Cookies Policy, all of which form part of the legal framework governing your use of the Fundscrow platform.

2. Digital asset risks

Digital assets are inherently volatile and may fluctuate significantly in value over short periods of time. The market value of cryptocurrencies may increase or decrease rapidly due to market conditions, trading activity, liquidity, technological developments, regulatory announcements or other factors beyond Fundscrow's control.

Customers acknowledge that the value of digital assets held within the Fundscrow platform may decline substantially and that it is possible to lose part or all of the value of those assets.

Digital assets are not legal tender in many jurisdictions and are generally not backed or guaranteed by any government, central bank or public authority. The value of a digital asset depends upon market demand and other economic factors, which may change without notice.

Blockchain transactions are generally irreversible once confirmed by the relevant blockchain network. Transactions sent to an incorrect wallet address, an unsupported blockchain network or an unintended recipient may not be recoverable.

The operation of digital asset networks depends on decentralised blockchain infrastructure that is not controlled by Fundscrow. Delays, network congestion, forks, protocol upgrades, validator failures, smart contract vulnerabilities or other technical events may affect the availability, speed or reliability of blockchain transactions.

Certain digital assets may experience reduced liquidity or become unavailable for trading, swapping or transfer due to market conditions, operational requirements or actions taken by exchanges, liquidity providers or blockchain communities.

Customers are solely responsible for ensuring that they understand the characteristics, functionality and risks associated with each digital asset they choose to use through the Fundscrow platform.

Fundscrow does not guarantee the future availability, market value, liquidity or continued support of any cryptocurrency or blockchain network. We reserve the right to add, suspend or discontinue support for any digital asset or blockchain network where reasonably necessary for legal, operational, security or commercial reasons.

Changes in legislation, regulatory policy or taxation may affect the availability, legality or value of digital assets in certain jurisdictions. Customers remain responsible for understanding the legal and tax implications of their use of digital assets.

Fundscrow does not provide investment advice or recommendations regarding the purchase, sale, exchange or holding of any digital asset. All decisions relating to digital assets are made solely by the customer, who accepts full responsibility for the associated risks.

3. Wallet risks

The Fundscrow wallet enables customers to receive, store, send and manage supported digital assets. While Fundscrow applies appropriate security measures to protect the platform, customers acknowledge that the use of digital asset wallets involves technological, operational and security risks.

Blockchain transactions are generally irreversible once confirmed by the relevant network. Digital assets transferred to an incorrect wallet address, unsupported blockchain network or unintended recipient may be permanently lost and may not be recoverable.

Customers are solely responsible for verifying wallet addresses, blockchain networks and transaction details before authorising any transfer. Fundscrow cannot amend, reverse or recover completed blockchain transactions where the error originates from incorrect customer instructions.

The availability of wallet services depends upon blockchain networks, authorised infrastructure providers and other technical systems outside Fundscrow's direct control. Network congestion, software upgrades, protocol changes, forks, validator failures or other technical events may delay or interrupt wallet services.

Temporary delays may also occur whilst blockchain confirmations are completed, compliance reviews are undertaken or additional security measures are applied. Fundscrow does not guarantee that deposits, withdrawals or transfers will always be processed immediately.

Fundscrow may suspend support for a particular blockchain network or digital asset where necessary to protect customers, maintain platform security, comply with legal obligations or respond to operational or technical issues.

Customers remain responsible for maintaining the security of their accounts, authentication methods, passwords and recovery information. Unauthorised access resulting from compromised credentials, phishing attacks, malware or other customer-side security failures may result in the loss of digital assets.

Although Fundscrow maintains security controls designed to protect customer assets and platform infrastructure, no online platform or digital wallet can eliminate all cybersecurity risks. Customers acknowledge that cyber threats continue to evolve and that the use of digital asset wallets carries inherent security risks.

Fundscrow does not guarantee uninterrupted access to wallet services and accepts no responsibility for delays, interruptions or losses resulting from blockchain events, internet failures, authorised infrastructure providers or circumstances beyond its reasonable control.

4. Escrow risks

Fundscrow provides digital asset escrow services designed to facilitate secure transactions between buyers and sellers. While escrow services can reduce certain transactional risks, they cannot eliminate all risks associated with commercial transactions or the conduct of the parties involved.

Fundscrow provides the technology used to administer escrow arrangements but is not a party to the underlying agreement between buyers and sellers. We do not guarantee that either party will fulfil their contractual obligations or that any goods, services or digital assets exchanged through the platform will meet the expectations of the parties.

Customers are solely responsible for ensuring that they fully understand the terms of the transaction, verify the identity of the counterparty where appropriate and satisfy themselves that the transaction is legitimate before placing digital assets into escrow.

Where milestone-based escrow is used, customers acknowledge that each approved release is generally final. Once escrowed assets have been released in accordance with the agreed instructions or a dispute resolution outcome, the transaction cannot normally be reversed.

If a dispute arises between the parties, the resolution process may require supporting documentation, additional information or manual review. Fundscrow will consider the available evidence in good faith but cannot guarantee that every dispute will be resolved to the satisfaction of all parties.

Fundscrow's role in any dispute is limited to administering the escrow process in accordance with its published procedures. Decisions made during the dispute process are operational decisions relating to the administration of the platform and do not constitute legal advice, arbitration or judicial determinations.

Customers acknowledge that fraudulent counterparties, inaccurate information, forged documentation or misleading representations may increase the risks associated with escrow transactions. While Fundscrow applies compliance and fraud prevention measures, it cannot guarantee that every fraudulent transaction will be identified or prevented.

Escrow services may be delayed or restricted due to compliance reviews, security investigations, legal obligations or technical issues affecting the platform or authorised infrastructure providers. Such delays do not necessarily indicate that unlawful activity has occurred.

Fundscrow accepts no responsibility for losses arising from disputes between customers, the quality or delivery of goods or services, the failure of either party to perform their contractual obligations or circumstances beyond Fundscrow's reasonable control. Customers remain responsible for conducting appropriate due diligence before entering into any transaction using the Fundscrow escrow service.

5. Cryptocurrency swap risks

Fundscrow provides cryptocurrency swap services that allow customers to exchange one supported digital asset for another. Customers acknowledge that digital asset markets operate continuously and are subject to rapid price movements, changing liquidity and market volatility.

Exchange rates displayed before a swap are based on available market information at the time the transaction is requested. The final execution price may differ due to price movements, market conditions, liquidity constraints, network delays or other operational factors.

Customers acknowledge that the value of a digital asset may change significantly between the time a swap is initiated and the time it is completed. Such fluctuations may result in receiving more or less value than anticipated.

The availability of swap services depends upon authorised liquidity providers, blockchain networks and other infrastructure providers. Market disruption, insufficient liquidity, technical failures or operational issues may delay, reject or prevent the completion of a requested swap.

Once a cryptocurrency swap has been executed, it is generally final and cannot be cancelled, amended or reversed. Customers are responsible for reviewing the transaction details carefully before confirming any swap.

Certain digital assets may experience limited liquidity, temporary trading restrictions, blockchain congestion or reduced market availability. These factors may affect execution prices, settlement times or the ability to complete a requested transaction.

Fundscrow does not guarantee that every swap request will be executed or that any quoted exchange rate will remain available until the transaction has been completed.

Customers remain solely responsible for understanding the characteristics, risks and market behaviour of the digital assets they choose to exchange. Fundscrow does not provide investment advice or recommend the purchase, sale or exchange of any cryptocurrency.

Fundscrow accepts no responsibility for losses arising from market volatility, price fluctuations, liquidity shortages, blockchain events, third-party infrastructure failures or any other circumstances outside its reasonable control that may affect the execution or outcome of cryptocurrency swap transactions.

6. On-ramp and off-ramp risks

Fundscrow provides access to on-ramp and off-ramp services that enable customers to convert between fiat currency and supported digital assets through authorised payment providers and financial infrastructure partners.

The availability of these services depends upon banking systems, payment providers, blockchain networks, local regulations and authorised infrastructure providers. Interruptions or failures affecting any of these parties may delay, suspend or prevent the completion of transactions.

Exchange rates used during on-ramp and off-ramp transactions are influenced by market conditions and may change before a transaction is completed. The final amount of digital assets received or fiat currency paid out may differ from initial estimates due to market movements, conversion rates, fees or liquidity conditions.

Customers are responsible for ensuring that all payment details, wallet addresses, bank account information and recipient details are accurate before confirming a transaction. Incorrect information may result in delays, rejected transactions or the permanent loss of funds where recovery is not possible.

Certain transactions may be delayed whilst additional compliance reviews, fraud prevention checks or operational security measures are completed. These reviews are an important part of Fundscrow's compliance programme and do not necessarily indicate that unlawful activity has occurred.

The availability of payment methods, supported currencies and payout destinations may change from time to time due to regulatory developments, operational requirements or changes implemented by authorised service providers.

Fundscrow does not guarantee that every on-ramp or off-ramp request will be accepted or completed. Transactions may be declined, suspended or cancelled where required by applicable law, compliance obligations, payment provider requirements or operational considerations.

Customers remain responsible for understanding the legal, tax and regulatory requirements that apply to the purchase, sale and transfer of digital assets within their jurisdiction.

Fundscrow accepts no responsibility for losses arising from exchange rate fluctuations, banking delays, payment provider failures, blockchain congestion, rejected transactions or any other circumstances beyond its reasonable control that affect the processing of on-ramp or off-ramp services.

7. Virtual card risks

Fundscrow may provide virtual payment card services that allow customers to spend supported digital assets through authorised payment networks and participating merchants. Customers acknowledge that the use of virtual cards involves operational, technical and third-party risks beyond Fundscrow's direct control.

Virtual card transactions are processed through payment networks, card programme providers, merchants and authorised infrastructure partners. The successful completion of a transaction depends upon the availability and proper functioning of these third parties.

Fundscrow does not guarantee that every virtual card transaction will be approved. Transactions may be declined due to insufficient card balance, merchant restrictions, payment network rules, compliance reviews, fraud prevention measures, technical failures or other operational circumstances.

Customers are responsible for ensuring that sufficient funds are available on their virtual card before attempting to complete a transaction. Where card funding is required, processing times may vary depending on blockchain confirmation times, compliance reviews and operational processing.

Merchants may place temporary authorisation holds that exceed the final transaction amount or retain authorisations for a period determined by the applicable payment network rules. During this time, a portion of the available card balance may remain temporarily unavailable.

Refunds, reversals and chargebacks are subject to the rules of the relevant payment network and authorised card programme providers. Processing times may vary, and Fundscrow cannot guarantee when refunded amounts will become available.

Customers are responsible for protecting their virtual card details, account credentials and authentication methods. Unauthorised use resulting from compromised credentials, phishing attacks, malware or customer negligence may result in financial loss.

The availability of virtual card services may change due to legal requirements, operational considerations, changes implemented by authorised card programme providers or payment networks, or technical issues affecting the platform.

Fundscrow accepts no responsibility for losses arising from merchant disputes, declined transactions, payment network interruptions, temporary authorisation holds, delayed refunds, third-party failures or any other circumstances outside Fundscrow's reasonable control that affect the operation or use of virtual card services.

8. Business account and API risks

Fundscrow may provide business accounts, enterprise services, mass payout solutions and API access to eligible business customers. These services are designed for commercial use and may involve additional operational, technical and compliance risks.

Business customers are responsible for ensuring that only authorised individuals have access to their Fundscrow account, API credentials, security settings and administrative functions. Access rights should be reviewed regularly and updated whenever personnel or authorised representatives change.

API credentials, authentication keys and security tokens must be stored securely and must never be disclosed to unauthorised persons. Customers are responsible for all activity performed using their API credentials unless Fundscrow has been notified that the credentials have been compromised and has had a reasonable opportunity to take protective action.

Business customers integrating Fundscrow services into their own systems remain responsible for the security, operation and maintenance of those systems. Errors in customer software, API integrations, automated workflows or internal controls may result in failed transactions, duplicate payments, incorrect transfers or unintended instructions.

Mass payout services involve the processing of multiple transactions and therefore increase the potential impact of incorrect payment instructions or operational errors. Customers are responsible for verifying recipient details, payment amounts and transaction data before authorising bulk transactions.

Fundscrow does not guarantee uninterrupted API availability or compatibility with third-party software. Scheduled maintenance, software updates, security improvements, infrastructure changes or technical incidents may temporarily affect API functionality or service availability.

Business customers remain responsible for complying with all applicable legal, regulatory, tax and contractual obligations relating to their use of the Fundscrow platform and any services provided to their own customers.

Fundscrow reserves the right to suspend API access, business services or mass payout functionality where necessary to protect the platform, respond to security incidents, complete compliance reviews or maintain the stability of the Fundscrow ecosystem.

Fundscrow accepts no responsibility for losses arising from customer software errors, API integration failures, incorrect transaction instructions, unauthorised use of API credentials, failures within third-party systems or any other circumstances outside Fundscrow's reasonable control that affect business services or API functionality.

9. Technology and cybersecurity risks

Fundscrow operates using internet-based technology, blockchain infrastructure, cloud services, payment networks and other third-party systems. While Fundscrow implements comprehensive security measures designed to protect the platform, customers acknowledge that no technology can eliminate all operational or cybersecurity risks.

The availability of the Fundscrow platform depends upon the continued operation of hardware, software, telecommunications networks, cloud infrastructure, blockchain networks and authorised service providers. Interruptions affecting any of these systems may temporarily delay or prevent access to some or all Fundscrow services.

Cyber threats continue to evolve and may include phishing attacks, malware, ransomware, social engineering, credential theft, distributed denial-of-service attacks, software vulnerabilities, unauthorised access attempts and other malicious activities. Although Fundscrow continuously monitors and strengthens its security controls, it cannot guarantee that every cyber threat will be detected or prevented.

Customers are responsible for maintaining appropriate security over their own devices, internet connections, passwords, authentication methods and recovery information. A compromise of customer-controlled systems may result in unauthorised access to the Fundscrow account regardless of the security measures implemented by Fundscrow.

Software updates, platform maintenance, infrastructure upgrades, security enhancements or emergency technical work may temporarily affect the availability or functionality of the Fundscrow platform. Fundscrow will seek to minimise disruption wherever reasonably practicable but cannot guarantee uninterrupted service.

Fundscrow may temporarily suspend or restrict access to individual services where necessary to investigate security incidents, protect customer accounts, respond to emerging threats or maintain the integrity of the platform.

Customers acknowledge that internet-based services are inherently exposed to operational and cybersecurity risks and that temporary interruptions, reduced functionality or delayed processing may occur despite appropriate security controls being in place.

Fundscrow continually invests in cybersecurity, infrastructure resilience, monitoring systems and operational security to reduce risk and protect customer assets. However, no security framework can guarantee complete protection against every threat or technological failure.

Fundscrow accepts no responsibility for losses arising from internet failures, customer device compromise, cyberattacks, failures of third-party infrastructure, telecommunications outages or other technological events beyond its reasonable control.

10. Regulatory and legal risks

The regulatory environment for digital assets, blockchain technology and financial technology services continues to evolve rapidly in many jurisdictions. Changes in legislation, regulations, licensing requirements, court decisions, government policies or regulatory guidance may affect the availability or operation of the Fundscrow platform.

Fundscrow may be required to modify, suspend or discontinue certain products or services in response to changes in applicable laws, regulatory expectations, sanctions programmes, payment network requirements or contractual obligations imposed by authorised service providers.

The legal status of digital assets varies significantly between jurisdictions. Certain cryptocurrencies, blockchain activities or digital asset services that are permitted in one country may be restricted, regulated or prohibited in another.

Customers are solely responsible for ensuring that their use of the Fundscrow platform complies with the laws, regulations and tax obligations applicable in the jurisdictions from which they access or use our services.

Regulatory changes may affect transaction limits, supported digital assets, payment methods, virtual card services, escrow services, on-ramp and off-ramp services, business accounts, API functionality or other products available through the platform.

Fundscrow reserves the right to introduce additional compliance requirements, restrict access to specific services, suspend transactions or terminate customer relationships where reasonably necessary to comply with legal obligations or regulatory requirements.

The availability of certain services may also depend upon the continued participation of authorised banks, payment providers, card programme managers, blockchain infrastructure providers and other commercial partners. Changes to these relationships may affect the products and services offered through Fundscrow.

Fundscrow cannot guarantee that the regulatory treatment of digital assets will remain unchanged or that future legislative developments will not affect the operation, availability or commercial viability of the platform.

Customers acknowledge that legal and regulatory risks are an inherent part of using digital asset services and accept that Fundscrow may need to make operational changes at any time to comply with applicable laws, regulatory requirements or contractual obligations.

11. General service risks

Fundscrow provides access to a broad range of digital asset services through a single platform. While this integrated approach offers convenience and operational efficiency, customers acknowledge that each service carries its own risks and that the use of multiple services may increase overall exposure to operational, financial and technological risks.

The availability of Fundscrow services depends upon a combination of internal systems and authorised third-party providers, including blockchain networks, payment providers, liquidity providers, card programme managers, cloud infrastructure and other technology partners. Interruptions affecting any of these parties may impact one or more services offered through the platform.

Fundscrow may introduce new products, modify existing services or discontinue certain functionality as the platform evolves. New products may involve risks that differ from those described in this Risk Disclosure and customers should carefully review any additional information made available before using newly introduced services.

From time to time, Fundscrow may temporarily suspend or restrict access to specific services in order to perform maintenance, implement security improvements, complete compliance reviews, investigate technical issues or respond to operational events. Such actions are intended to protect customers and maintain the stability of the platform.

Customers remain responsible for understanding the operation and risks associated with each Fundscrow service before using it. The availability of one service does not imply the suitability of another, and customers should independently assess whether each product is appropriate for their own circumstances.

Fundscrow does not guarantee uninterrupted access to the platform, continuous availability of every supported digital asset, or the permanent availability of any specific product or feature. The platform will continue to evolve in response to customer demand, technological developments, legal requirements and operational considerations.

The use of digital asset services involves risks that cannot be entirely eliminated despite the implementation of appropriate security measures, compliance controls and operational procedures. Customers acknowledge these inherent risks and accept responsibility for their decision to use the Fundscrow platform.

Fundscrow continually reviews and improves its technology, security framework, compliance programme and operational processes to reduce risk wherever reasonably practicable. However, no digital asset platform can guarantee that every transaction, service or technical process will operate without interruption or risk.

Customers should carefully consider the risks described in this Risk Disclosure together with their own financial circumstances and risk tolerance before using any service offered through the Fundscrow platform.

12. Limitation of responsibility

Fundscrow is committed to providing a secure, reliable and professionally operated platform. However, customers acknowledge that the use of digital assets, blockchain technology and internet-based financial services involves risks that cannot be completely eliminated.

To the fullest extent permitted by applicable law, Fundscrow shall not be responsible for any indirect, incidental, consequential or special losses arising from the use of the platform, including loss of profits, business opportunities, goodwill, anticipated savings, data or digital assets.

Fundscrow shall not be liable for losses resulting from blockchain network failures, network congestion, protocol upgrades, forks, cyberattacks, internet outages, payment network interruptions, banking delays, cloud infrastructure failures or the actions or omissions of authorised third-party providers beyond Fundscrow's reasonable control.

Fundscrow is not responsible for losses arising from incorrect wallet addresses, unsupported blockchain networks, inaccurate payment instructions, customer errors, unauthorised disclosure of account credentials or the failure of customers to maintain appropriate security over their accounts or devices.

Where Fundscrow provides wallet services, escrow services, cryptocurrency swaps, virtual cards, on-ramp services, off-ramp services, business accounts, API services or any other platform functionality, customers acknowledge that the successful completion of transactions may depend upon third-party infrastructure that operates independently of Fundscrow.

Fundscrow does not guarantee the uninterrupted availability of any service, the continuous support of any digital asset, the execution of every transaction or the availability of every payment method, blockchain network or authorised service provider.

Nothing in this Risk Disclosure or any other Fundscrow legal document excludes or limits any liability that cannot lawfully be excluded or limited under applicable law, including liability arising from fraud, wilful misconduct or any other liability that mandatory law requires Fundscrow to accept.

By using the Fundscrow platform, customers acknowledge that they understand the risks associated with digital asset services and accept that certain operational, technological, financial and regulatory risks remain inherent despite Fundscrow's ongoing commitment to security, compliance and operational resilience.

13. Changes to this Risk Disclosure

Fundscrow reserves the right to amend, update or replace this Risk Disclosure at any time to reflect changes in applicable laws, regulatory requirements, technological developments, operational practices or the services offered through the Fundscrow platform.

As the Fundscrow ecosystem continues to expand, new products, services and technologies may be introduced, including additional wallet functionality, escrow solutions, payment services, digital asset products, business services, APIs and other platform features. Where these developments introduce new or different risks, this Risk Disclosure will be updated accordingly.

Fundscrow continually reviews its risk management framework to ensure that it remains appropriate for the nature and scale of the services provided. Changes may also be made to reflect emerging cybersecurity threats, developments in blockchain technology, evolving financial crime risks or changes implemented by authorised service providers.

The latest version of this Risk Disclosure will always be published on the Fundscrow website together with the date on which it became effective.

Where changes materially affect the risks associated with the use of the Fundscrow platform, Fundscrow may, where reasonably practicable, provide notice through the platform, by email or through other appropriate communication channels.

Your continued use of the Fundscrow platform after an updated Risk Disclosure becomes effective constitutes your acknowledgement of the revised document to the extent permitted by applicable law.

Nothing in this section limits Fundscrow's right to introduce immediate changes where necessary to comply with applicable law, regulatory requirements, security incidents, contractual obligations or other circumstances requiring prompt action.

14. Contact us

If you have any questions regarding this Risk Disclosure or the risks associated with any Fundscrow service, you may contact our customer support or compliance team through the official contact details published on the Fundscrow website or through your registered Fundscrow account.

Fundscrow will make reasonable efforts to respond to enquiries relating to this Risk Disclosure and the operation of the platform. However, for security, legal and operational reasons, we may be unable to disclose confidential information relating to internal risk management procedures, cybersecurity controls, fraud detection systems, compliance methodologies or ongoing investigations.

Where your enquiry relates to a specific transaction or account, Fundscrow may request additional information to verify your identity before providing account-specific assistance.

Nothing in this Risk Disclosure limits any rights or remedies available to customers under applicable law or prevents customers from seeking independent legal, financial or tax advice regarding the use of digital assets or the Fundscrow platform.

