

Alpaca Tokenization Risk Disclosure

Additional geographic restrictions may apply for tokenization services based on local regulatory requirements. Neither Alpaca Crypto LLC nor Alpaca Securities LLC are the issuer of, nor directly involved in, the tokenization of any assets. Tokenization is performed by a third party. Tokenized assets do not represent direct equity ownership in any underlying company or issuer. Instead, tokenized assets generally provide economic exposure to the equity securities of an underlying issuer. As such, holders of tokenized assets have no voting rights, dividend entitlements, or legal claims to the underlying company shares or any residual assets in the event of the underlying company's liquidation or insolvency, unless explicitly stated otherwise.

Tokenized assets are highly speculative and may not be appropriate for all investors. Tokenized assets may involve complex and risky underlying contractual or transactional arrangements and may involve the potential for losing your entire investment in a relatively short period of time. Tokenized assets may be exposed to significant and potentially uncertain risks, including risks associated with the underlying companies, such as market volatility, financial performance, corporate actions, regulatory developments, and economic conditions, and to the financial and operational risks of the respective tokenized asset issuer, which include risks related to creditworthiness, operations and technology, and the potential insolvency of the issuer. Risks related to the issuer of a particular tokenized asset exist irrespective of the performance of the underlying equity securities. You should review all applicable disclosures and risk factors before transacting in tokenized assets. By transacting in tokenized assets, you are taking full responsibility for all trading actions, and should make every effort to understand the risks involved. Tokenized assets are not registered with the SEC and are not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC"), the Securities Investor Protection Corporation ("SIPC"), or any other regulatory or governmental body.

Cryptocurrency services are provided by Alpaca Crypto LLC, a FinCEN-registered MSB (NMLS #2160858) and subsidiary of AlpacaDB, Inc. Cryptocurrency assets are highly volatile and speculative, involving substantial risk of loss, and are not insured by the FDIC or any government agency. Customers should be aware of the various risks prior to engaging these services, including potential loss of principal, cybersecurity considerations, regulatory developments, and the evolving nature of digital asset technology. For additional information on the risks of cryptocurrency, please click [here](#).

Securities brokerage services are provided by Alpaca Securities LLC, member [FINRA/SIPC](#), a wholly owned subsidiary of AlpacaDB, Inc.

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