EMCD Mining Risk Disclosure

Last Updated: August 14, 2026

IMPORTANT NOTICE

This Risk Disclosure applies solely to the mining-related Services governed by the EMCD Mining Terms of Service (the **"General Terms"**), including the Mining Pool Services, Shared Mining, Firmware, Monitoring and any other mining-related Service expressly made subject to the General Terms or applicable Product Terms.

This Risk Disclosure does not apply to non-mining products or services that may be offered separately through EMCD-branded or affiliated platforms.

Capitalized terms not defined in this Risk Disclosure have the meanings given to them in the General Terms or applicable Product Terms.

The Mining Pool Services and Shared Mining are provided by the relevant Operator identified under the General Terms. Firmware, Monitoring and other mining-related Services may be provided by the Operator or by a Relevant Service Provider identified in the applicable Product Terms. The Platform Hosting Provider and App Store Publisher perform only the roles attributed to them under the General Terms unless expressly identified as the provider of a particular Service.

This Risk Disclosure is intended to describe material risks associated with the Services but is not exhaustive. Risks may arise that are not described or foreseeable at the date of this Risk Disclosure.

Neither the availability of a Service nor any information, estimate, calculator, forecast, projected Remuneration, hashrate information or other content made available through the Platform constitutes investment, financial, legal or tax advice or a guarantee of any economic result.

By using a Service, the User acknowledges that mining and mining-related technology involve material technical, operational, market, legal and financial risks and that the User may incur significant losses.

1. GENERAL MINING RISKS

1.1. DIGITAL ASSET PRICE AND PROFITABILITY RISK

The economic value of mining depends materially on the market value of the Digital Asset being mined.

Digital Asset prices may change rapidly and substantially and may fall to very low levels or zero. A mining activity that is economically profitable at one time may subsequently become unprofitable even where the User's hashrate or mining performance remains unchanged.

Changes in Digital Asset prices may reduce the value of Remuneration and may cause the User's electricity, equipment, maintenance, connectivity or other mining costs to exceed the value generated through mining.

Neither the Operator nor any Relevant Service Provider guarantees that use of a Service will generate profit, cover the User's costs or produce any minimum economic return.

1.2. MINING DIFFICULTY, NETWORK HASHRATE AND REWARD RISK

Mining output is affected by factors outside the control of the User, Operator and Relevant Service Provider, including:

- network mining difficulty;
- total network hashrate;
- block-production frequency;
- block rewards;
- transaction fees included in blocks;
- protocol rules;
- halving or similar reward-reduction events;
- changes in the number or efficiency of other miners; and
- changes in the economics of the relevant blockchain.

An increase in network difficulty or competing hashrate may reduce the amount of Digital Assets attributable to a given amount of computing power.

Historical mining output, displayed hashrate, past Remuneration or any profitability estimate does not indicate or guarantee future results.

1.3. BLOCKCHAIN, PROTOCOL AND CONSENSUS RISK

Mining depends on blockchain protocols that are not controlled by the Operator, Relevant Service Provider or Platform Hosting Provider.

A blockchain may experience:

- forks or hard forks;
- chain reorganizations;
- orphaned or stale blocks;
- consensus failures;

- protocol upgrades;
- changes to mining algorithms;
- changes from Proof-of-Work to another consensus mechanism;
- vulnerabilities or exploits;
- network congestion or outages; or
- permanent or temporary cessation of operation.

Such events may reduce, eliminate, delay or otherwise affect mining opportunities or Remuneration.

A block that is not accepted into the applicable canonical blockchain may produce no Remuneration. A fork or creation of a new Digital Asset does not give the User any entitlement to a forked or additional asset unless expressly provided under the General Terms, applicable Remuneration methodology or Product Terms.

1.4. HARDWARE, ELECTRICITY AND CONNECTIVITY RISK

Mining may require continuous operation of specialized hardware and may result in substantial electricity consumption, heat generation and equipment wear.

Mining hardware may:

- fail or degrade;
- overheat;
- perform below expected specifications;
- consume more electricity than expected;
- become technologically obsolete;
- become uneconomic to operate; or
- require repair, maintenance or replacement.

Power interruptions, internet connectivity problems, incorrect network configuration, local hardware failures or other infrastructure issues may interrupt the User’s mining activity and reduce Remuneration.

Unless expressly provided otherwise in applicable Product Terms, the User bears the risks and costs associated with the User’s own mining equipment, electricity, internet connectivity and other infrastructure.

1.5. PLATFORM AND OPERATIONAL RISK

The Platform and Services depend on software, servers, communications networks, blockchain infrastructure and other technical systems.

Planned maintenance, unplanned outages, software defects, latency, hardware failures, connectivity interruptions, cybersecurity incidents or other operational events may restrict or prevent access to a Service or affect mining submissions, hashrate reporting, Remuneration calculations or other functionality.

The Operator and Platform Hosting Provider do not guarantee uninterrupted availability of the Mining Pool Services or Platform except to the extent expressly stated in the General Terms.

Firmware, Monitoring or another Service may have different availability, support or technical conditions under its applicable Product Terms.

1.6. CYBERSECURITY AND ACCOUNT RISK

Mining infrastructure, online platforms, devices and user credentials may be targeted by cyberattacks, malware, credential theft, phishing, denial-of-service attacks, botnets and other malicious activity.

A compromise affecting:

- the User’s Account;
- authentication credentials;
- mining device;
- firmware;
- local network;
- mining infrastructure;
- the Platform; or
- third-party infrastructure

may result in unauthorized access, interruption of mining, manipulation of mining activity, lost mining opportunities or reduction of Remuneration.

Security controls reduce but cannot eliminate such risks.

The User is responsible for safeguarding the User’s Account credentials, PassKeys, devices and local mining infrastructure and for promptly reporting suspected unauthorized access or compromise in accordance with the General Terms.

1.7. THIRD-PARTY AND INFRASTRUCTURE RISK

The Operator or a Relevant Service Provider may depend on third-party software, blockchain networks, infrastructure providers, contractors, manufacturers or other technical service providers.

Failure, insolvency, interruption, cybersecurity incident, technical defect or contractual failure affecting such third parties may impair the relevant Service.

The Operator may also engage third parties to perform technical or operational activities in connection with Mining Pool Services. Such arrangements do not, by themselves, create a contractual relationship between the User and the relevant third party.

Where Firmware, Monitoring or another mining-related Service is expressly provided by a Relevant Service Provider, the User is additionally exposed to the operational and counterparty risk of that provider in accordance with the applicable Product Terms.

1.8. REGULATORY AND JURISDICTIONAL RISK

The legal and regulatory treatment of cryptocurrency mining and mining-related software differs between jurisdictions and may change rapidly.

Mining or related activities may become subject to:

- prohibition or restriction;
- registration or licensing requirements;
- electricity or energy-use limitations;
- additional taxation;
- sanctions or trade restrictions;
- equipment import or export controls;
- environmental requirements;
- KYC/KYB or AML/CFT requirements; or
- orders or restrictions imposed by governmental or regulatory authorities.

A change in Applicable Law may require an Operator or Relevant Service Provider to restrict, suspend, modify or discontinue a Service or to make that Service unavailable to certain Users or jurisdictions.

Technical availability of a Service does not constitute confirmation that the User is legally eligible to use it.

The User is responsible for determining whether the User's mining activity and use of each Service are lawful in the User's jurisdiction.

1.9. TAX RISK

Mining and receipt of Remuneration may give rise to tax, reporting, accounting or other fiscal obligations.

The relevant treatment may depend on factors including the User's jurisdiction, legal status, method of mining, timing of receipt and subsequent disposition of Digital Assets.

Tax rules applicable to mining may change and may be uncertain or applied differently by different authorities.

Neither the Operator nor any Relevant Service Provider provides tax advice. The User is responsible for determining, reporting and paying applicable taxes and maintaining appropriate records.

2. MINING POOL SERVICES AND SHARED MINING RISKS

2.1. VARIABLE REMUNERATION

Remuneration generated through the Mining Pool Services or Shared Mining is inherently variable.

The amount attributable to the User may depend on the applicable Remuneration methodology, accepted computing power, measured or scoring hashrate, network conditions, block production, transaction fees, mining difficulty and other parameters.

There may be periods in which Remuneration is substantially lower than expected or no Remuneration arises.

No displayed estimate, historical payment or prior mining result guarantees any future amount of Remuneration.

2.2. HASHRATE MEASUREMENT AND SUBMISSION RISK

The User's equipment may display a hashrate that differs from the hashrate recognized by the Mining Pool Services.

Differences may arise from:

- rejected or stale mining submissions;
- latency;
- network interruption;
- device instability;
- software configuration;
- protocol characteristics;
- measurement intervals; or
- the Remuneration methodology applied by the Operator.

The hashrate displayed locally by the User's equipment does not necessarily represent the hashrate used for calculating Remuneration.

Technical or accounting errors may also require correction or recalculation in accordance with the General Terms.

2.3. POOL DEPENDENCY

Participation in pooled mining requires the User to rely on the continued operation of the Mining Pool Services and the Operator's mining and Remuneration systems.

An interruption affecting pool infrastructure may prevent the User's computing power from being accepted or correctly reported and may therefore reduce mining output or Remuneration.

The User is responsible for configuring its equipment, where technically possible, to reconnect following an outage or interruption.

2.4. BLOCK, FORK AND REORGANIZATION RISK

A mining submission or apparently discovered block does not necessarily result in final Remuneration.

A block may subsequently become orphaned, stale, invalid or removed from the canonical blockchain following a reorganization or other protocol event.

The User has no entitlement to Remuneration attributable solely to a block that is not recognized in accordance with the applicable Remuneration methodology.

Where merged mining is used, entitlement to Remuneration from a secondary Digital Asset depends on the methodology and conditions made available by the Operator. The fact that computing power contributes to merged mining does not guarantee that the User will receive every Digital Asset generated through that process.

2.5. REMUNERATION CALCULATION AND CORRECTION RISK

Remuneration is calculated using the methodology made available by the Operator.

Errors, delayed data, invalid mining submissions, protocol events, technical failures or abusive activity may require the Operator to correct, recalculate, withhold, reverse or recover amounts where permitted under the General Terms.

The User should review Account records and promptly raise any discrepancy within the applicable contractual timeframe.

2.6. PAYOUT AND EXTERNAL WALLET RISK

Confirmed Remuneration may be transmitted to the wallet address specified by the User in accordance with the General Terms.

Blockchain transfers are generally irreversible.

If the User provides an incorrect, incompatible or inaccessible address, the relevant payment may be permanently lost and the Operator may be unable to recover or repeat it.

Blockchain congestion, protocol conditions, Network Fees, maintenance or other technical events may also affect the timing or economic amount of a Remuneration payment.

Neither the Mining Pool Services nor the Account constitutes a Digital Asset wallet or custody service merely because Remuneration is recorded in the Account before payment.

2.7. MINING ABUSE AND RESTRICTION RISK

Mining pools may be targeted by manipulation or attacks, including withholding attacks, false or manipulated mining submissions, hashrate manipulation, botnet activity or exploitation of software or accounting errors.

The Operator may reject computing power, restrict access, correct Remuneration or take other actions permitted by the General Terms where it detects or reasonably suspects such conduct.

Such actions may occur while an investigation or verification is ongoing and may affect the User's ability to continue mining or receive disputed amounts.

2.8. CHANGES TO SUPPORTED MINING

The Operator may add, restrict, suspend or discontinue support for Digital Assets, algorithms, protocols or mining functionality in accordance with the General Terms.

A Digital Asset or algorithm that is mineable through the Mining Pool Services today may become unavailable in the future for technical, commercial, legal, security or regulatory reasons.

The User bears the risk that mining equipment or configuration selected for a particular Digital Asset or algorithm may become unusable or economically inefficient following such a change.

3. FIRMWARE RISKS

Firmware may be provided by the Operator or a Relevant Service Provider under applicable Product Terms. The following risks apply in addition to the General Risks above.

3.1. COMPATIBILITY RISK

Firmware may be designed only for specific mining-device models, versions or configurations.

Installation on unsupported or incompatible hardware may result in malfunction, reduced performance, device instability, inability to mine or permanent device damage.

The User is responsible for verifying compatibility and following installation and configuration requirements specified in the applicable Product Terms or technical documentation.

3.2. PERFORMANCE RISK

Firmware may affect hashrate, power consumption, thermal performance, fan behavior, device stability and other operating parameters.

Actual performance may differ materially between devices and may depend on hardware quality, environmental conditions, electricity supply, network conditions and User configuration.

No projected increase in hashrate, efficiency or profitability is guaranteed.

Any increase in mining performance may be offset by additional electricity consumption, hardware degradation, increased heat, increased failure rates or changes in mining economics.

3.3. HARDWARE DAMAGE AND WARRANTY RISK

Use of Firmware, particularly where it modifies manufacturer settings or operating parameters, may increase stress on mining hardware.

Depending on the equipment manufacturer and applicable warranty terms, installation or use of third-party Firmware may also affect or invalidate manufacturer warranty coverage.

Unless expressly assumed under applicable Product Terms, neither the Operator nor Relevant Service Provider guarantees that Firmware will prevent hardware damage or preserve a manufacturer warranty.

3.4. SOFTWARE DEFECT AND UPDATE RISK

Firmware may contain bugs, compatibility issues, security vulnerabilities or other defects.

An update may introduce new functionality, remove existing functionality, require reconfiguration or temporarily reduce device availability.

A Firmware version may also become unsupported or require replacement because of changes in mining protocols, device architecture, cybersecurity requirements or other technical developments.

Failure to install a required security or compatibility update may expose the User to additional risk or result in loss of functionality.

3.5. SECURITY RISK

Compromise of Firmware or the process used to install or update it may expose mining devices to unauthorized control, malicious software, redirected mining output or other cybersecurity threats.

Users should obtain Firmware only through channels identified in the applicable Product Terms or official technical documentation and should not install modified or unofficial versions unless they independently accept the resulting risks.

3.6. USER CONFIGURATION RISK

Incorrect settings, overclocking, undervolting, cooling configurations, network settings or other User-selected parameters may cause instability, hardware degradation, reduced hashrate, increased power consumption or equipment failure.

Availability of configurable parameters does not constitute a representation that every available setting is suitable for the User's particular device or operating environment.

4. MONITORING RISKS

Monitoring may be provided by the Operator or a Relevant Service Provider under applicable Product Terms. Monitoring functionality is intended to provide operational information and does not eliminate the User's responsibility for the User's mining infrastructure.

4.1. DATA ACCURACY AND LATENCY RISK

Monitoring information may be delayed, incomplete, unavailable or inaccurate.

Displayed data may depend on:

- mining-device telemetry;
- local network connectivity;
- APIs;
- third-party systems;
- Platform availability;
- polling intervals;
- device configuration; or
- other data sources outside the provider's direct control.

The User should not assume that displayed hashrate, temperature, device status or other operational information reflects the exact real-time condition of the underlying equipment.

4.2. ALERT DELIVERY RISK

Where Monitoring includes alerts or notifications, delivery is not guaranteed unless expressly stated otherwise in applicable Product Terms.

Alerts may be delayed, not transmitted, filtered as spam, fail because of device or communications settings or otherwise not reach the User before an adverse event occurs.

The absence of an alert does not establish that the relevant mining device or infrastructure is operating correctly.

4.3. FALSE POSITIVE AND FALSE NEGATIVE RISK

Monitoring systems may:

- identify a problem where no material problem exists;
- fail to identify an existing problem;
- misclassify the seriousness of an event; or
- display outdated information.

The User remains responsible for independently assessing material mining, equipment and operational issues and for determining whether intervention is required.

4.4. NO AUTOMATIC INTERVENTION

Unless applicable Product Terms expressly provide otherwise, Monitoring does not mean that the Operator or Relevant Service Provider continuously supervises the User’s equipment or undertakes to intervene when a problem is detected.

A Monitoring alert does not guarantee that a device will be repaired, restarted, reconfigured or otherwise restored.

The User remains responsible for taking any necessary operational action in relation to the User’s equipment.

4.5. DEPENDENCY AND AVAILABILITY RISK

Monitoring may depend on the User’s devices, firmware, network connectivity, Platform infrastructure and third-party systems.

An outage or failure affecting any such component may cause monitoring data or alerts to become unavailable at precisely the time when operational information is most important.

Monitoring therefore should not be treated as the sole means of detecting critical equipment, power, thermal, connectivity or security issues.

4.6. SECURITY AND ACCESS RISK

Monitoring may require communication with mining devices or collection of operational telemetry.

Compromise of authentication credentials, APIs, device interfaces or monitoring infrastructure may expose operational information or permit unauthorized interaction with connected systems, depending on the functionality provided.

Users are responsible for protecting credentials and access methods under their control and following security requirements applicable to Monitoring.

5. OTHER MINING-RELATED SERVICES

The Platform may make available additional mining-related Services from time to time.

Such a Service may be provided by the Operator or by a Relevant Service Provider and may be governed by separate Product Terms.

The risks applicable to that Service depend on its actual functionality. The User must review the applicable Product Terms, Risk Disclosures and other information presented for that Service before using it.

The existence of a common Account, Platform interface, application, brand or technical integration does not mean that:

- every mining-related Service is provided by the same legal entity;
- one service provider guarantees the performance or obligations of another;
- risks associated with one Service are assumed by the provider of another Service; or
- availability of one Service guarantees continued availability of another.

FINAL ACKNOWLEDGEMENT

By accessing or using a Service to which this Risk Disclosure applies, the User acknowledges that:

1. the User has read and understood this Risk Disclosure together with the General Terms and any applicable Product Terms;
2. cryptocurrency mining and mining-related Services involve substantial technological, operational, hardware, cybersecurity, market, blockchain, regulatory and legal risks;
3. mining results, Remuneration, hashrate, profitability, equipment performance, Service availability and future support for any Digital Asset, algorithm, hardware or functionality are not guaranteed;
4. the User may incur substantial economic loss, including through reduced or absent Remuneration, Digital Asset price movements, equipment failure or depreciation, electricity and operating costs, service interruption, protocol events or other circumstances described in this Risk Disclosure;

5. neither the availability of a Service nor any calculator, estimate, historical result, projected Remuneration, technical metric or other information made available through the Platform constitutes investment, financial, legal or tax advice or a guarantee of future results;
6. no Risk Disclosure can identify every possible circumstance capable of causing loss;
7. the User is responsible for determining whether each Service is appropriate and lawful for the User and for obtaining independent professional advice where appropriate; and
8. the respective rights, obligations and liability of the Operator, Relevant Service Provider, Platform Hosting Provider and App Store Publisher remain governed by the General Terms, applicable Product Terms and Applicable Law.