Risk Disclosure Statement

Last Updated on: 19 January 2026

This Risk Disclosure Statement provides you with information about some risks associated with the use of the Bybit trading platform (hereinafter referred to as the "**Trading Platform**") and services (hereinafter referred to as the "**Services**") offered by Bybit. Bybit is licensed and regulated by the Securities and Commodities Authority ("**SCA**") in the United Arab Emirates as a Category 7 Virtual Assets Platform Operator.

Bybit is committed to ensuring that this Risk Disclosure Statement remains accurate, clear, and not misleading, and shall review and update it on a regular basis, and in any event as required by applicable laws from time to time however the information presented in this Risk Disclosure Statement is not exhaustive and does not reflect all of the risks (or other important factors) you should consider before using the Trading Platform. You must make your own decision whether to access or use the Trading Platform and the related Services, and should seek any advice that you consider necessary or desirable (including financial and/or legal advice) from independent advisers.

Use of the Trading Platform is conclusive evidence that you fully understand and accept the risks listed below and that you accept that Bybit shall not be responsible for any loss or damage howsoever suffered (whether directly or indirectly) in using or accessing the Trading Platform or related Bybit Services as aforesaid.

You are fully responsible for managing your exposure to the risks outlined herein.

1. Financial Risks

1.1 Trading Risk

(a) You use the Services at your own risk. There can be no assurance that the use of the Services will generate a positive return or profit, that significant losses will not be incurred, or that your objectives will be achieved. All contracts traded on the Trading Platform are margined and settled using virtual assets, such as BTC and stablecoins.

(b) Contracts traded on the Trading Platform are contracts of high financial risks, requiring sufficient relevant experience. You should only fund your own wallet and trade with virtual assets that you own and can afford to lose. It is possible that you may lose a substantial proportion or all of your capital.

1.2 Price Volatility

(a) The price of virtual assets is highly volatile and may be unpredictable when compared to traditional financial instruments such as equities, bonds or fiat currencies. Virtual asset prices may rise or fall rapidly over very short periods due to factors including market sentiment, liquidity constraints, technological developments, regulatory or legal changes, and other external events beyond the control of the user or the Company. Such volatility may be exacerbated by spreads, fees or limited market depth, and price movements may be more severe than those experienced in traditional markets. As a result, virtual assets may lose part or all of their value, and users may suffer significant or total losses. You should not acquire, hold or trade virtual assets unless you fully understand their nature and risks and are prepared to bear the risk of losing the entire amount invested.

1.3 Liquidity Risk

(a) Virtual assets may be riskier, less liquid, more volatile, and more vulnerable to economic, political, market, industry, regulatory, and other changes than other derivatives contract types. The liquidity of the market will depend on, among other factors, supply and demand on the Trading Platform and the commercial and speculative interest in the market for virtual assets. As contracts are traded on a closed trading system, there is a risk that there may be limited trading volume and liquidity. A lack of liquidity in any market may result in delays in order execution and some orders may not execute at all; these effects may be exacerbated for a large order.

1.4 Access and Withdrawal Risk

(a) Access to and withdrawal of virtual assets may be subject to restrictions, delays or temporary suspension due to a range of factors, including market volatility, liquidity constraints, network congestion, system maintenance, cybersecurity incidents, regulatory requirements, or risk management controls implemented by Bybit. In periods of extreme market conditions or heightened volatility, withdrawal requests may take longer to process or may be restricted to protect the integrity of the Trading Platform, manage liquidity risk, or comply with applicable laws and regulatory obligations. In addition, transfers of virtual assets rely on third-party blockchain networks and service providers, which are outside Bybit's control and may experience delays, outages, or operational failures. As a result, clients may not be able to access or withdraw their virtual assets immediately or at all times, and should not assume continuous or uninterrupted access to their virtual assets in all circumstances.

1.5 Information Accuracy Risk

(a) While Bybit endeavours to keep the information provided as accurate as possible, there is a risk that the information may not be the latest, complete, updated, or accurately translated.

2. Regulatory Risk

2.1 The regulatory environment concerning cryptocurrencies and other virtual assets is evolving. The application and interpretation of existing laws and regulations are often largely untested and there is a lack of certainty as to how they will be applied. It is not possible to predict how changes would affect the price and liquidity of virtual assets or the Services more generally. The UAE Central Bank, the Securities and Commodities Authority, the Virtual Assets Regulatory Authority of Dubai, or other competent authorities may impose new requirements that affect your use of Bybit Services, including the Trading Platform. These may be retroactive, inconsistent across jurisdictions, or may result in suspension or termination of Services without notice.

2.2 Regulatory actions could negatively impact cryptocurrencies and other virtual assets in various ways, including, for purposes of illustration only, through a determination (with retrospective or prospective effect) that virtual assets or their derivatives are regulated financial instruments requiring registration or licensing in certain jurisdictions. Bybit would have to disallow users based on their citizenship, residence, or location from engaging in any transactions on the Trading Platform. Such acts are commercially unsustainable or legally prohibited, which could materially affect the price and liquidity of cryptocurrencies.

2.3 You understand that ultimately it is your responsibility to make sure that you comply with any and all local regulations, directives, restrictions, and laws in your place(s) of residence before using the Services. We strictly declare that we do not permit the use of the Services by users from any jurisdiction in which the use of such Services is not permitted (including, without limitation, any restricted jurisdictions which are from time to time listed in UAE or international sanctions lists such as the UAE Executive Office of Control and Non-Proliferation (EOCN) local terrorist list, UN Security Council sanctions lists, and other international sanctions regimes including OFAC and FATF Transactions may be delayed, blocked, or reported to UAE authorities as required under applicable law.

2.4 We are not offering or soliciting the use of the Services to any person located in any of restricted jurisdictions or any jurisdiction in which the specific use of the Services is not authorized or is otherwise prohibited by local laws.

2.5 You are obligated to manage your own tax and legal affairs, including the submission of any regulatory documents and payments and compliance with applicable laws and regulations. We do not provide any regulatory, tax, or legal advice.

2.6 In the UAE, all fiat-referenced settlement flows are presently restricted to USD-referenced stablecoins (e.g. USDT, USDC). You acknowledge that these instruments may lose their peg to fiat currency, become illiquid or suspended by issuers, or suffer redemption runs or sudden regulatory restrictions. Such events may result in partial or total loss of value, delayed settlement, or inability to redeem.

2.7 Virtual assets do not constitute legal tender, are not issued or guaranteed by any government, central bank or public authority, and are not backed by the State or any other governmental body.

3. Cyber Risks

3.1 Malicious individuals, groups, or organizations may attempt to interfere with the Bybit trading platform in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, coordinated attacks, account takeovers, and submitting fake transactions (including spoofing) which could negatively affect the operation of the platform, the availability of the Services and the value of contracts traded on the Trading Platform.

3.2 It is your responsibility to ensure (i) that your access credentials are kept secure and confidential, including your email, username, and password, as well as access to or use of any two-factor authentication hardware, software, or password, and (ii) the security and integrity of any systems (both hardware and software) or Services that you use to access the Services.

3.3 The Services and the use, holding and transfer of virtual assets are subject to operational and information security risks arising from reliance on technology and computer systems. Cyber incidents may result from deliberate attacks or unintentional events and can include unauthorised access to systems to misappropriate assets or sensitive information, corrupt data, or disrupt operations, as well as attacks that do not require system access, such as denial-of-service attacks. Security failures or breaches affecting Bybit or its third-party service providers, including software, cloud infrastructure or other technology providers, may adversely impact the Services and the value of the virtual assets held on the Trading Platform.

3.4 Notwithstanding the implementation of compliance and security controls, virtual asset activity may be exposed to fraud, theft, market manipulation or other unlawful conduct, including hacking, phishing or social-engineering schemes. Vulnerabilities in platforms, wallets, distributed ledger protocols or user devices may be exploited and can result in the permanent and irretrievable loss of virtual assets. Unlike traditional financial instruments, virtual assets generally do not benefit from statutory investor protections, deposit insurance or similar safeguards under UAE law.

3.5 Bybit may, from time to time, perform routine or other maintenance on the Trading Platform. This may lead to platform downtime and lack of access to the Trading Platform, potentially resulting in a delay or cancellation of a pending order and orders created during maintenance or downtime, and the inability for a user to submit new or change existing orders.

3.6 Transactions conducted on public blockchain networks are generally transparent and recorded on distributed ledgers that may be accessible to third parties. While blockchain addresses do not inherently identify individuals, transaction data may be subject to forensic analysis and tracing, which can potentially link transactions to personal, commercial or transactional information. As a result, the use of blockchain networks may involve reduced privacy compared to traditional financial systems. In addition, blockchain transactions are typically irreversible once they have been broadcast to the relevant network and confirmed. Neither Bybit nor any affiliated entity has the ability to cancel, amend or reverse a transaction once it has been submitted. Errors such as providing an incorrect wallet address, selecting an incompatible network, or paying insufficient network fees may result in delayed processing, failed transactions, or the permanent and irretrievable loss of virtual assets. You are solely responsible for ensuring the accuracy and completeness of all transaction details prior to submission.

4. Systemic Risk

4.1 The value, liquidity, and stability of virtual assets and related markets may be significantly affected by geopolitical, sociopolitical, or natural events that are beyond the control of Bybit. Such events may cause substantial volatility, loss of value, delays, or disruptions in the use of the Services and in the operation of global financial and virtual asset markets.

5. Third Parties

5.1 Third parties, such as payment providers and banking partners, may be involved in the provision of Bybit's Services. You may be subject to the terms and conditions of these third parties. Unless expressly provided otherwise, and to the fullest extent permitted under UAE law, Bybit will not be responsible for any loss, error, interruption, failure or unauthorized act that may arise from the Services provided by such third parties.