



ASTRABIT MARGIN DISCLOSURE STATEMENT

AstraBit is furnishing this disclosure document to you to provide some basic facts about purchasing Digital Assets and/or securities on margin/leverage ("Margined Assets"), and to alert you to the risks involved with trading Margined Assets in a margin account. Before trading any Margined Assets, you should carefully review:

1. This AstraBit Margin Disclosure Statement;
2. Margin Regulation information provided by the Financial Industry Regulation Authority ("FINRA") (<https://www.finra.org/rules-guidance/key-topics/margin-accounts>); and
3. The Securities and Exchange Commission "Understanding Margin Accounts" (https://www.sec.gov/resources-for-investors/investor-alerts-bulletins/ib_marginaccount).

IMPORTANT: AstraBit does not offer margin, leverage, or margin accounts. If you want to trade with leverage or use a margin account, you must do so through your account or Linked Wallet on your Digital Asset Exchange ("Exchange"). Your Exchange exclusively handles the approval and terms of your margin account(s). You cannot deposit or store fiat money or digital assets with AstraBit. Your Linked Wallet and/or margin account must be run by a third party and may be held on a Digital Asset Exchange or in a shared/omnibus account.

You should consult your licensed financial professional before opening a margin account or if you have any questions or concerns or want further information about trading with margin.

Capitalized terms used in this disclosure document and not otherwise defined herein shall have the meanings given to them in the AstraBit User Agreement <https://astrabit.io/legal/eula>

When you purchase Digital Assets, you may pay for them in full, or you may borrow part of the purchase price from your Digital Asset Exchange. If you choose to use margin when using AstraBit, you will open a margin account with your Digital Asset Exchange. The Margined Assets purchased may be used as collateral for the loan to you. If the Margined Assets in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, the Digital Asset Exchange can take action, such as issue a margin call and/or liquidate Margined Assets or other any other assets in any of your accounts, in order to maintain the required equity in the account.

It is important that you fully understand the risks involved in trading digital assets and securities on margin. These risks include, but are not limited to, the following:

- **You can lose more funds than you deposit in the margin account.** A decline in the value of Margined Assets that are purchased on margin may require you to provide additional funds to the Digital Asset Exchange that has made the loan to avoid the forced sale of those digital assets and securities or other digital assets and securities or assets in your account(s).
- **The firm/Digital Asset Exchange can force the sale of Digital Assets and securities or other assets in your account(s).** If the equity in your account falls below the maintenance margin requirements, or the Digital Asset Exchange's higher "house" requirements, the Digital Asset Exchange can sell the digital assets and securities or other assets in any of your accounts held in your account to cover the margin deficiency. You may also be responsible for any shortfall in the account after such a sale.
- **The firm/Digital Asset Exchange can sell your digital assets and securities or other assets without contacting you.** Some investors mistakenly believe that a Digital Asset Exchange must contact them for a margin call or liquidation to be valid, and that the Digital Asset Exchange cannot liquidate Margined Assets or other assets in



their accounts to meet the call unless the Digital Asset Exchange has contacted them first. This is not the case. Most Digital Asset Exchanges will NOT attempt to notify their customers of margin calls, and they are not required to do so. However, even if a Digital Asset Exchange has contacted a customer and provided a specific date by which the customer can meet a margin call, the Digital Asset Exchange can still take necessary steps to protect its financial interests, including immediately selling the Margined Assets without notice to the customer.

- **You are not entitled to choose which Digital Assets and securities or other assets in your account(s) are liquidated or sold to meet a margin call from a cross-margin account.** Because the Margined Assets are collateral for the margin loan, the Digital Asset Exchange has the right to decide which security to sell in order to protect its interests.
- **You may limit which Digital Assets and securities or other assets in your account(s) are liquidated or sold to meet a margin call from an Isolated Margin Account.** Because the Margined Assets are collateral for the margin loan and specific to the individual trade, the Digital Asset Exchange has the right to sell only the specific Margined Assets in your isolated margin trade in order to protect its interests.
- **The firm/Digital Asset Exchange can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.** These changes in Digital Asset Exchange policy often take effect immediately and may result in the issuance of a maintenance margin call. Your failure to satisfy the call may cause the Digital Asset Exchange to liquidate or sell Digital Assets and securities in your account(s).
- **You may not be not entitled to a margin call prior to liquidation nor an extension of time on a margin call.** Digital Asset Exchanges generally do NOT provide customers with a margin call and, in the event that a Digital Asset Exchange does provide a margin call, the customer does not have a right to any extension.

SUMMARY

Digital Assets and securities purchased on margin are the Digital Asset Exchange's collateral for the leverage or loan to you. If the Digital Assets and securities in your account decline in value, so does the value of the collateral supporting your loan, and, as a result, the Digital Asset Exchange can take action, such as issuing a margin call and/or liquidating Digital Assets and securities or other assets in any of your accounts held with the Digital Asset Exchange, in order to maintain the required equity in the account. It is important that you fully understand the risks involved in trading Digital Assets and securities on margin. These risks include but are not limited to:

- **You can lose more funds than you deposit in the margin account.**
- **The Digital Asset Exchange can force the sale of Digital Assets and securities or other assets in your account(s).**
- **The Digital Asset Exchange can sell your Digital Assets and securities or other assets without contacting you.**
- **If You use a cross-margin account, you are not entitled to choose which Digital Assets and securities or other assets in your account(s) are liquidated or sold to meet a margin call.**
- **The Digital Asset Exchange can increase its "house" maintenance margin requirements at any time and is not required to provide you advance written notice.**
- **You are not entitled to a margin call or an extension of time on a margin call.**