



AstraBit & AstraBlox Decentralized Finance Investor Risk Disclosure

At AstraBlox, we are committed to helping you make informed decisions when participating in the digital asset ecosystem. This Investor Risk Disclosure Summary provides an overview of key risks associated with tokenized assets, stablecoins, and custody arrangements on our platform. Please review it carefully.

IMPORTANT REGULATORY NOTICE: Not all AstraBit or AstraBlox services are broker-dealer services or regulated by the SEC or FINRA. Only services explicitly identified by us as regulated should be considered as such. Other services may involve non-regulated digital assets and do not receive the protections applicable to regulated activities, including but not limited to the investor protections offered by the SIPC, etc.

INVESTING IN DIGITAL ASSETS AND CRYPTOCURRENCY IS HIGHLY SPECULATIVE AND INVOLVES A SIGNIFICANT DEGREE OF RISK. SUCH INVESTMENTS ARE SUITABLE ONLY FOR INVESTORS WHO CAN BEAR THE POSSIBLE LOSS OF THEIR ENTIRE INVESTMENT. ALL CUSTOMERS SHOULD CONSULT WITH THEIR LICENSED FINANCIAL, LEGAL, AND TAX ADVISORS PRIOR TO MAKING ANY PURCHASE OR ENGAGING IN ANY INVESTMENT ACTIVITY.

REGULATED TOKENIZATION AND TOKENIZATION RISK

Tokenized assets on AstraBlox's platform are part of the regulated broker-dealer services offered by AstraBit and AstraBlox, and represent legal interests in real-world or financial assets, such as real estate, equity, or investment funds. These digital tokens are issued and governed by smart contracts that enforce conditions such as transfer restrictions, lock-ups, and eligibility requirements.

1. Key Risks:

- a. Tokens may not be redeemable on demand or at face value.
- b. Underlying assets may be illiquid, difficult to value, or subject to third-party legal or regulatory action.
- c. Smart contracts could fail or be exploited, resulting in asset loss or restrictions on transfers.
- d. Redemption timelines and counterparty performance are not guaranteed.
- e. REDEMPTION OF TOKENS MAY DEPEND ON THE PERFORMANCE, LEGAL STRUCTURE, OR OPERATIONAL INTEGRITY OF THIRD-PARTY COUNTERPARTIES WHO MAY NOT BE AFFILIATED WITH ASTRABLOX. ASTRABLOX CANNOT GUARANTEE THE AVAILABILITY OR PERFORMANCE OF THESE THIRD PARTIES.

We recommend that you read each offering document carefully and understand the rights attached to any token. **Additionally, AstraBlox strongly recommends that you consult with your licensed financial, legal, and tax professional before making a purchase.**

STABLECOIN RISK

Stablecoins are digital assets designed to maintain a stable value relative to a fiat currency like the U.S. dollar. They may be regulated by the Guiding and Establishing National Innovation for U.S. Stablecoins Act (“GENIUS Act”). While some stablecoins are fully backed by reserves, others may rely on algorithms or be partially collateralized.

1. **Key Risks:**

- a. Stablecoins can lose their 1:1 peg, especially during market stress or issuer insolvency.
- b. Not all stablecoins are fully transparent about their reserves or redemption processes.
- c. Some stablecoins are not redeemable for fiat currency or may restrict redemptions during high demand.
- d. Use of stablecoins as collateral may magnify risk during sudden price swings.

AstraBlox supports fully-reserved stablecoins that publish regular audits, but even these may carry unforeseen operational or systemic risks. **Additionally, AstraBlox strongly recommends that you consult with your licensed financial, legal, and tax professional regarding stablecoins and their associated risks.**

CUSTODY RISK

AstraBlox does not custody your assets; we use FireBlocks, a third-party custody provider, to securely manage digital asset transactions through Embedded Wallet Services (EWS)..

1. **Key Risks:**

- a. Digital assets stored in custody wallets may be lost due to cyberattacks, key compromise, or smart contract errors.
- b. Assets held in custody may not be protected in the event of a platform or custodian bankruptcy.
- c. Ownership on the blockchain does not always equal legal ownership off-chain.
- d. Recovery of lost or frozen assets may be limited or unavailable.

We encourage investors to review the custody details and understand their rights and limitations under our Terms and Conditions. **Additionally, AstraBlox strongly recommends that you consult with your licensed financial, legal, and tax professional regarding Custody Risk and how it may impact your investment.**



MARKET, OPERATIONAL & REGULATORY RISK

Digital assets are speculative and highly volatile. Market conditions can change rapidly and without warning. Regulatory oversight is evolving, and changes in law or enforcement priorities may impact your rights, asset value, or ability to transact.

1. **Key Risks:**

- a. Prices can fluctuate dramatically within minutes or hours.
- b. Regulatory changes may affect the legality or availability of certain assets.
- c. Trading may be interrupted due to technical outages, network congestion, or smart contract failure.
- d. Redemption of assets may not be possible on weekends or holidays.
- e. THERE MAY BE A SIGNIFICANT RISK OF LOSS OR INACCESSIBILITY OF ASSETS DURING EXTREME MARKET CONDITIONS, WEEKENDS, OR PERIODS OF BLOCKCHAIN CONGESTION. YOU MAY BE UNABLE TO EXECUTE TRANSACTIONS OR REDEEM TOKENS DURING THESE TIMES, POTENTIALLY RESULTING IN DELAYS OR FINANCIAL LOSS.

AstraBlox strongly recommends that you consult with your licensed financial, legal, and tax professional regarding Market, Operational & Regulatory Risk and how it may impact your investment.

NO GUARANTEE OF RETURNS

AstraBlox makes no promise of profits, appreciation, or preservation of capital. Participation in any tokenized offering, staking program, or vault product involves significant risk, including the potential loss of your entire investment.

INVESTING IN DIGITAL ASSETS AND CRYPTOCURRENCY IS HIGHLY SPECULATIVE. YOU MAY LOSE ALL OR A SUBSTANTIAL PORTION OF YOUR INVESTMENT. CONSULT A LICENSED FINANCIAL, LEGAL, AND TAX ADVISOR PRIOR TO MAKING ANY INVESTMENT DECISION.

CRYPTOCURRENCY PAYMENT RISK

CPT may permit customers to make payments using cryptocurrency (e.g., USDC, ETH, BTC) to fund certain transactions, including token purchases and vault participation. While these payments are processed using secure infrastructure and verified custody tools, cryptocurrency-based payments involve unique risks not present in traditional financial systems.

1. **Key Risks:**

- a. **Finality and Irreversibility:** Blockchain payments are final and non-reversible. Errors such as sending to the wrong address or incorrect payment amounts can result in permanent loss of funds.
- b. **Price Volatility:** The value of a cryptocurrency can change significantly during the time between payment initiation and settlement.



- c. **Slippage and Fees:** Payments involving exchange conversions may result in different final values due to market slippage, network fees, or price movement.
- d. **Network Delays:** High congestion on blockchain networks can delay transaction confirmation, leading to potential missed investment deadlines or delayed issuance of digital assets.
- e. **Operational Timing:** Payments made during weekends, holidays, or after business hours may not be processed immediately, affecting participation in time-sensitive offers.

INVESTORS SHOULD ONLY INITIATE CRYPTOCURRENCY PAYMENTS AFTER VERIFYING THE WALLET ADDRESS AND REVIEWING ALL TERMS ASSOCIATED WITH THE TRANSACTION. CPT CANNOT GUARANTEE REFUNDS OR RECOVERY IN THE EVENT OF USER ERROR OR NETWORK FAILURE.

We strongly recommend consulting with qualified financial and legal professionals before initiating any payment using digital assets.

If you have any questions or require further clarification regarding the regulatory status of any AstraBit or AstraBlox service or product, including whether such service is subject to U.S. Securities and Exchange Commission ("SEC") or Financial Industry Regulatory Authority ("FINRA") oversight, or the risks involved in when using any AstraBit and AstraBlox product or service,, please contact us at support@astrabit.io