Day-Trading Risk Disclosure Statement

IMPORTANT REGULATORY NOTICE

Certain cryptocurrencies, digital assets, and related instruments referenced, accessed, or facilitated through AstraBit trading services may not be registered with, or regulated by, the U.S. Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority ("FINRA"), or the U.S. Commodity Futures Trading Commission ("CFTC"), and may be offered, traded, or made available through non-U.S. or otherwise non-U.S.-regulated trading venues or protocols.

Customers engaging with non-U.S.-registered or non-regulated digital assets, including transactions conducted on non-U.S.-regulated exchanges, platforms, or decentralized protocols, do not receive the protections, oversight, or remedies applicable to activities conducted through SEC-, FINRA-, or CFTC-regulated entities or markets. These protections include, without limitation, regulatory supervision, investor protection rules, examination and enforcement regimes, customer asset protection requirements, and coverage under the Securities Investor Protection Corporation ("SIPC").

Digital assets that are not registered securities, not traded on U.S.-regulated exchanges, or not otherwise subject to U.S. federal securities or commodities laws may be subject to materially different legal, regulatory, and risk considerations, including heightened counterparty risk, market volatility, operational risk, custody risk, limited disclosure obligations, and reduced dispute resolution or recovery mechanisms.

Customers are solely responsible for understanding the regulatory status of any digital asset, exchange, or platform with which they engage. AstraBit and AstraBlox will clearly disclose when a product or service is offered pursuant to SEC, FINRA, CFTC, or other U.S. regulatory authority, and any service not expressly identified as such should be presumed to be non-regulated.

IMPORTANT: The definitions relating to Day Trading and Pattern Day Trading may NOT apply to customers engaging in transactions involving non-U.S.-registered or non-U.S.-regulated digital assets; however, the risks may still be applicable, and you should consult with your licensed financial advisor before using any AstraBit or AstraBlox product or service.

A **Day Trade** is defined as the buying and selling of the same Digital Asset ("DAS") on the same day ("Round-Trip Trade"). Regulators define a **Pattern Day Trader** as any customer who executes four (4) or more Round-Trip Trades within five (5) business days. Pattern Day Traders that do not meet minimum equity requirements may be subject to regulatory restrictions.

If you are found to be a Pattern Day Trader, you will be required to meet the $25,000 minimum equity as set by the Securities and Exchange Commission ("SEC") and the Financial Industry Regulatory Authority ("FINRA"). If you fail to meet the required minimum equity for a Pattern Day Trader, CPT will

prevent your account from executing any additional Round Trip Trades. Additionally, your account will be limited after three (3) Round-Trip Trades within a five (5) day period. The intention is to prevent customers who do not meet the equity minimum from being classified as Pattern Day Traders, which may subject the account to restrictions. Please review the CPT website for additional details

RISKS RELATED TO DAY TRADING

You should consider the following points before engaging in a day-trading strategy. For purposes of this notice, a "day-trading strategy" means an overall trading strategy characterized by the regular transmission by a customer of intra-day orders to effect both purchase and sale transactions in the same security or securities.

Day trading can be extremely risky. Day trading generally is not appropriate for someone of limited resources, limited investment or trading experience, and low risk tolerance. You should be prepared to lose all of the funds that you use for day trading. In particular, you should NOT fund day-trading activities with retirement savings, student loans, second mortgages, emergency funds, funds set aside for purposes such as education or home ownership, or funds required to meet your living expenses. Further, certain evidence indicates that an investment of less than $50,000 will significantly impair the ability of a day trader to make a profit. Of course, an investment of $50,000 or more will in no way guarantee success.

Be cautious of claims of large profits from day trading. You should be wary of advertisements or other statements that emphasize the potential for large profits in day trading. Day trading can also lead to large and immediate financial losses.

Day trading requires knowledge of Digital Assets (“DAS”) and DAS markets. Day trading requires in-depth knowledge of DAS and DAS markets, trading techniques, and strategies. In attempting to profit through day trading, you must compete with professional, licensed traders employed by securities firms. You should have appropriate experience before engaging in day trading.

Day trading requires knowledge of a firm's operations. You should be familiar with a DAS issuer’s business practices, including the operation of the firm's order execution systems and procedures. Under certain market conditions, you may find it difficult or impossible to liquidate a position quickly at a reasonable price. This can occur, for example, when the market for a DAS suddenly drops, or if trading is halted due to recent news events or unusual trading activity. The more volatile an asset is, the greater the likelihood that problems may be encountered in executing a transaction. In addition to normal market risks, you may experience losses due to system failures.

Day trading can generate substantial commissions, even with low per-trade costs. Day trading involves aggressive trading, and generally, you will pay commissions on each trade. The total daily commissions that you pay on your trades will add to your losses or significantly reduce your earnings. For instance,

assuming that a trade costs $16 and an average of 29 transactions are conducted per day, an investor would need to generate an annual profit of $111,360 just to cover commission expenses.

Day trading on margin or short selling may result in losses beyond your initial investment. When you day trade with funds borrowed from your Digital Asset Exchange, your broker, or someone else, you can lose more than the funds you originally placed at risk. A decline in the value of the assets that are purchased may require you to provide additional funds to your Linked Wallet account to avoid the forced sale of those assets or other assets in your account. Short selling as part of your day-trading strategy may also lead to extraordinary losses, as you may have to purchase an asset at a very high price to cover a short position.

Potential Registration Requirements. Persons providing investment advice for others or managing securities accounts for others may need to register as either an "Investment Adviser" under the Investment Advisers Act of 1940 or as a "Broker" or "Dealer" under the Securities Exchange Act of 1934. Such activities may also trigger state registration requirements.

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 whether related disclosures are provided pursuant to Regulation Best Interest (“Reg BI”), please contact us at support@astrabit.io