

Risk Disclosure Statement

Issued: March 30, 2026 | Private Arrangement — Not a Public Offering | Governing Law: Wyoming

Read this document carefully before participating in any arrangement with Abilities Finance. This disclosure is not a formality. It describes real risks that could result in the total loss of your capital.

1. Principal at Risk

Your entire capital contribution is at risk. There are no guarantees of profit, return of principal, or any minimum distribution. You may lose some or all of the funds you provide. Only participate with funds you can afford to lose entirely without affecting your financial security or lifestyle.

2. No FDIC or SIPC Insurance

This is a private, unsecured promissory note arrangement. It is not a bank deposit. It is not a brokerage account. It is not protected by the Federal Deposit Insurance Corporation (FDIC), the Securities Investor Protection Corporation (SIPC), or any other government or private insurance program.

3. Unsecured Debt

The promissory note is an unsecured obligation of Abilities Finance. It is not backed by collateral, real estate, securities, or any other specific assets. In the event of a default, there is no specific asset you can claim against.

4. Cryptocurrency Market Volatility

Capital is deployed in cryptocurrency trading. Cryptocurrency markets are highly volatile, largely unregulated, and subject to sudden and significant price

movements. Market conditions can change rapidly and without warning. Losses can be substantial and can occur quickly.

5. Single-Operator Risk

All trading decisions are made by Czar. This single-operator structure carries inherent key-person risk. If Czar is unable to manage the trading operations for any reason, the arrangement may be materially affected.

6. Operational Risk

Trading operations are subject to technical failures, exchange outages, API errors, and other operational disruptions. On January 30, 2026, an operational capital extraction event resulted in \$3,056 in losses from 164 forced position closes. This event is fully disclosed in the Track Record. Governance controls have been implemented since then, but operational risk cannot be eliminated entirely.

7. Liquidity and Withdrawal Risk

While lenders have the right to request withdrawals, immediate liquidity is not guaranteed. If funds are deployed in open trading positions at the time of a withdrawal request, the return of capital may be delayed until those positions can be closed responsibly. During periods of extreme market stress or exchange disruptions, withdrawal processing times may be extended further.

8. Regulatory Risk

The regulatory environment for cryptocurrency trading and private lending arrangements is evolving. Changes in applicable law could affect the arrangement, the trading operations, or the ability to distribute profits.

Acknowledgement

By proceeding with a capital contribution to Abilities Finance, you confirm that you have read and understood this Risk Disclosure Statement in full, that you have had the opportunity to seek independent legal and financial advice, and that you are participating with funds you can afford to lose entirely.

Private Capital Arrangement – For People Who Know Czar Personally. Not a Public Offering. Principal at Risk. Not
FDIC or SIPC Insured. Not Investment Advice.