

Item 1 - Cover Page



Part 2A of Form ADV (the “Brochure”)

Abra Capital Management, LP

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This Brochure provides information about the qualifications and business practices of Abra Capital Management, LP (“ACM”), a registered investment adviser. Registration does not imply a certain level of skill or training but only indicates that ACM has registered its business with state and federal regulatory authorities, including the United States Securities and Exchange Commission (“SEC”). If you have any questions about the contents of this Brochure, please contact us at ir@abra.com. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about ACM is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 - Summary of Material Changes

ACM has not yet filed an annual update using the Form ADV Part 2A. Therefore, there are no material changes to report at this time.

Item 3 - Brochure Table of Contents

Item 1 - Cover Page	1
Item 2 - Summary of Material Changes	2
Item 3 - Brochure Table of Contents	3
Item 4 - Advisory Business	4
Item 5 - Fees and Compensation	5
Item 6 - Performance-Based Fees and Side-By-Side Management	7
Item 7 - Types of Clients	7
Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9 - Disciplinary Information	31
Item 10 - Other Financial Industry Activities and Affiliations	31
Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	31
Item 12 - Brokerage Practices	32
Item 13 - Review of Accounts	33
Item 14 - Client Referrals and Other Compensation	33
Item 15 - Custody	33
Item 16 - Investment Discretion	34
Item 17 - Voting Client Securities	34
Item 18 - Financial Information	35

Firm Description

Abra Capital Management, LP (“ACM” or the “Firm”), a Delaware limited partnership formed in 2022 maintaining its principal office at 1160 Battery Street East, Suite 100 San Francisco, California 94111. ACM is an advisory business established in 2022 that is a subsidiary of Abra Capital Management LLC, a limited liability company, with a principal office at 1160 Battery Street East, Suite 100 San Francisco, California 94111, which is a wholly owned subsidiary of Plutus Financial Holdings Inc., a Delaware holding company operating a variety of businesses related to Digital Assets (defined below) (collectively known as “Abra”).

Abra operates a platform whereby selected qualified individuals and institutions can buy and trade Digital Assets as well as access Digital Asset products and services through various affiliates of ACM.

Types of Advisory Services

ACM will provide discretionary and non-discretionary portfolio management services to individual and institutional clients (each a “Client”) with respect to Digital Assets.

“Digital Assets” means fungible cryptocurrency tokens, such as Ether, Bitcoin, native tokens, USD-backed stablecoins (“Stablecoins”), altcoins, security tokens, trade tokens, digital assets, synthetic assets, cryptocurrencies and any stored value within distributed ledger technologies, as well as non-fungible tokens (“NFTs”).

ACM offers a variety of Digital Asset products and investment strategies to Clients looking for exposure to Digital Assets.

ACM offers discretionary asset management and investment advisory services to two (2) types of Clients:

- (1) Individuals, trusts, family offices and institutions through separately managed accounts (each, an “SMA”) for individuals, that will receive discretionary or non-discretionary advisory services from ACM; and
- (2) Various pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended and whose securities are not registered under the Securities Act of 1933, as amended (each referred to herein as a “Fund”).

Each advisory agreement between ACM and each Client (each, an “Advisory Agreement”) will specify whether such investment advice is discretionary or non-discretionary.

With respect to SMAs, ACM employees will collect information about a Client’s financial situation and goals with respect to exposure to Digital Assets and will use such information to provide investment advisory services to Clients, as detailed in the Advisory Agreement. ACM’s

investment advisory services are not designed to provide Clients with a comprehensive financial plan.

ACM's services with respect to SMAs are highly dependent on receiving accurate information from Clients. ACM may collect information about a SMA Client's financial situation from its online platform or from other communications with ACM's employees via phone, videoconference or email. If SMA Clients provide ACM with inaccurate information or fail to timely update applicable information, the quality and applicability of ACM's investment advisory services may be materially impacted. Not every piece of information ACM collects is factored into investment advice proposed to a Client.

ACM may agree to limitations and restrictions on its discretionary authority to act with respect to an SMA. Where SMAs are managed on a non-discretionary basis (hereinafter a "Non-Discretionary SMA"), ACM may only affect a transaction with the Client's prior consent and approval. ACM will not provide advisory services to assets that fall outside of the focus and scope of such Advisory Agreement. ACM's investment decisions made pursuant to the Advisory Agreements with the Funds shall be on a discretionary basis.

Pursuant to the Advisory Agreement, each Client designates ACM as its attorney-in-fact to execute, certify, acknowledge, file, record and swear to all instruments, agreements, and documents necessary or advisable to carrying out its investment activities; such Advisory Agreement will also describe the limitations, if any, placed on ACM's investment discretion.

ACM does not participate in a wrap fee program.

As of the date of this Brochure, ACM had one-hundred and two million, five-hundred thousand dollars U.S. Dollars (\$102,500,000) in regulatory assets under management, managed on a discretionary or non-discretionary basis.

This Brochure is meant to help Clients understand the nature of the advisory services offered by ACM, whether the advisory services offered by ACM are suitable for the Client, and the potential conflicts of interest associated with ACM services.

Item 5 – Fees and Compensation

With respect to SMAs, ACM will charge an annual advisory fee (the "Advisory Fee") based on the average daily balance of the assets under ACM's management on the last day of the month as documented in the SMA's Advisory Agreement. The Advisory Fee ranges between fifty basis points (0.50bps) for basic custody to up to two hundred basis points (2.00bps) for select actively managed ACM Yield Accounts (defined below at "Item 7 - Types of Clients"), billed monthly in arrears depending upon the size and composition of such Client's portfolio and the type of services rendered.

For SMAs, the Advisory Fees will be calculated as a prorated amount of the Client's daily balance as of 23:59:59 Coordinated Universal Time (UTC) and the Digital Assets in each Account shall be valued using "closing price" of each Digital Asset in the SMA in USD as

reported by coinmarketcap.com pursuant to ACM's valuation policy on each calendar day, over a month and typically charged as of the last business day of each month.

With respect to the Funds, ACM will receive a quarterly asset-based management fee calculated as a percentage of each capital account for each Fund (the "Management Fee"). The precise amount of, and the manner and calculation of, the Management Fees for each Fund are set forth in the offering documents delivered to every investor in the Funds prior to investment in any Fund (the "Fund Offering Documents").

Clients may also bear transaction fees associated with the trading of Digital Assets, as discussed herein at Item 12 – Brokerage.

ACM's Management Fees and Advisory Fees do not include fees or expenses associated with brokerage, custody, management, transaction, or similar fees assessed by any third-party service provider. For SMAs, transaction fees shall be added and itemized separately to each Client's SMA statements. Fees relating to the Funds, custody, trading and certain other service provider fees shall be allocated to each Fund investor pro rata as detailed in the Fund Offering Documents.

Clients will pay fees and incur expenses whether they make or lose money on their investments. Fees and expenses will reduce any amount the Client makes on their investments over time. The more assets there are in a Client's account, the more such Client will pay in fees, and ACM may therefore have an incentive to encourage Clients to increase assets managed by ACM.

On the last business day of each month, ACM will assess fees. Advisory Fees may either be deducted from the Client's SMA or billed and processed separately. If a Client has agreed in the Advisory Agreement to pay fees as a reduction of Client's SMA balance, ACM may instruct Digital Capital Solutions I Ltd. ("DCSIL"), a British Virgin Islands entity and an indirect affiliate of ACM or another affiliate, to sell Digital Assets in the SMA in an amount that will generate cash proceeds to satisfy the Client's fee obligation(s).

If an SMA Client prepays an Advisory Fee and then terminates its Advisory Agreement before the end of the billing period, prepaid fees will be returned to each Client on a prorated basis based on the termination date of the SMA.

Clients may be required to maintain a minimum USD-backed stablecoin ("Stablecoin") balance in their SMA in order to cover the cost of any ongoing fee obligations. If a Client's balance in its SMA is insufficient to cover ACM's fees for that month, ACM will accrue any fees over-assessed or under-assessed and apply the difference to adjust the following month's fees. ACM will automatically debit the prorated amounts of the fees from the assets in a Client's SMA on a monthly basis in arrears, as detailed in the Advisory Agreement. Clients that have unpaid fee obligations may be prevented from withdrawing assets from their SMA until after the fee obligation is satisfied.

For all Clients, ACM's Management Fees or Advisory Fees, as the case may be, will be calculated based on the valuation of Digital Assets in Client accounts as of 23:59:59 UTC using

the “closing price” of each Digital Asset in USD as provided by coinmarketcap.com pursuant to ACM’s valuation policy.

SMA Clients can review fees paid on their monthly statements.

Fees and other compensation may be negotiable under certain circumstances at the sole discretion of ACM and arrangements with any particular Client may vary. Although ACM believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.

Neither ACM nor its employees accept any compensation for the sale of investment products, including asset-based sales charges. ACM’s employees receive a salary and a discretionary bonus.

Item 6 – Performance-Based Fees and Side-By-Side Management

ACM may charge performance-based fees for eligible SMAs (Qualified Clients, as that term is defined in the Investment Advisers Act of 1940) that receive discretionary advisory services pursuant to an Advisory Agreement.

ACM may charge performance-based fees for its Funds. The precise amount of, and the manner and calculation of any performance-based fees for each Fund, are set forth in Fund Offering Documents.

Since ACM may advise Clients that do not pay performance-based fees to ACM as well as Clients that do, ACM may have an incentive to favor Clients that pay performance-based fees over Clients that do not pay performance-based fees. ACM’s policies and procedures are designed to treat all Clients fairly and equitably and to prevent performance-based conflicts from influencing the allocation of investment opportunities among its Clients.

Item 7 - Types of Clients

A. Clients

ACM’s Clients include individuals, institutions, trusts, Funds and other legal entities.

The minimum for SMAs is one hundred thousand USD (\$100,000). ACM may waive the minimum for certain Clients from time to time. The Funds have investment minimums as described in the Fund Offering Documents.

A. SMA Clients

ACM will provide its discretionary investment advisory services to SMAs based on information provided by Clients regarding, among other things, liquid net worth (investable assets), risk tolerance, investment goals and investment experience during any financial consultation call, email or from an onboarding questionnaire. This advice shall pertain solely to the Client’s

investments in Digital Assets with ACM and is not intended to be holistic financial advice pertaining to any other asset classes.

ACM offers both Discretionary SMAs (defined below) and Non-Discretionary SMAs. The type of SMA and any limits to the discretion shall be detailed in the Advisory Agreement. For Discretionary SMAs, ACM has discretion over the SMA with respect to implementing any Client recommendations, subject to any limitations in the Advisory Agreement, as described below in “Authorized Actions” (referred to herein as “Discretionary SMAs”).

Discretionary SMA Clients grant ACM the authority to view, receive, access, provide instructions, and modify SMA information in all communication mediums utilized by ACM. Based on a Discretionary SMA Client’s situation, as determined through questionnaires, written or verbal communications, or Discretionary SMA Client’s instruction, ACM shall be authorized to modify the Discretionary SMA Client’s investment selections by taking certain actions hereby authorized by the Client, including but not limited to, creating new goals, modifying existing goals, and adjusting Client settings (e.g., investment strategies, asset allocations, and enabling or disabling certain automated features) (collectively, the “Authorized Actions.”) Discretionary SMA Clients should not expect Authorized Actions to be undertaken or completed immediately following communication with ACM. ACM will implement Authorized Actions and/or other changes to the Client’s Discretionary SMA within a reasonable period.

Discretionary SMA Clients may also independently, if they choose, undertake any of the foregoing Authorized Actions, except for modifying investment strategies, which would require modifying an Advisory Agreement. ACM may also incorporate legacy assets transferred in-kind into the SMA investment strategies of SMA Client.

SMA shall receive monthly statements within ten (10) days of each month end, detailing total assets under management, cash balances, any unrealized gains and losses, pricing data, asset allocations, portfolio balances over time as well as recent transactions. Some Clients may also have access to real-time reporting via an online platform (the “Client Portal”).

SMAs do not currently support crypto forks or airdrops. Forks and airdrops may adversely impact the value of the original Digital Assets and the successor Digital Assets held in the SMA. With regard to Digital Assets held in SMAs, ACM has sole discretion to decide whether or not to support forks and airdrops for those Digital Assets, and ACM in its sole discretion may (i) not accommodate the new Digital Asset; (ii) only accommodate the new Digital Asset after a significant period; or (iii) have a contractual right to claim the new Digital Asset for its own account. ACM does not currently have any systems in place to participate in Digital Asset forks or airdrops. As a result, Clients may not benefit from Digital Assets provided through forks or airdrops, and Digital Assets subject to forks or airdrops may be rendered useless or of no or little value.

Furthermore, some Digital Asset tokens include participation in governance activities, such as the ability to vote on topics that directly or indirectly may affect return on investment through on-chain governance. ACM’s infrastructure does not currently support the ability to participate

in such Digital Asset governance activities. As such, Clients may be unable to participate in such governance activities for Digital Assets held in their SMA.

B. Fund Clients

ACM serves as investment adviser to Abra Digital Income Master Fund SPC Ltd., a Cayman Islands segregated portfolio company (the “Master Fund”) and Abra Digital Income Fund LP, a Delaware series limited partnership (the “Onshore Fund”).

The fee structures and investment objectives and strategies are detailed in the Fund Offering Documents.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

A. SMA Clients

Investment Strategies

ACM offers Non-Discretionary SMAs to all Clients, which includes exposure to a variety of Digital Assets and select staking and yield product investment opportunities at the direction of the Client.

ACM also offers additional discretionary asset management services for Clients that are Accredited Investors as that term is defined under the Securities Act of 1933 or Qualified Clients, including (i) access to a selection of yield-generating portfolio strategies described below (the “ACM Yield Accounts”) and/or (ii) custom portfolios designed around Client needs (the minimum AUM threshold for a custom portfolio is ten million USD (\$10mm) (each an “ACM Custom Portfolio”).

For more detail on the risks involved in investing in Digital Assets, please see the section below entitled “Risk Factors.”

ACM Yield Accounts:

ACM offers access to select actively managed SMAs to Clients who are Accredited Investors or Qualified Clients who wish to hold Digital Assets and earn yield on those assets (each an “Eligible Client”). In connection with the ACM Yield Accounts, ACM uses the “Portfolio Strategies”, as described below, with the goal of generating capital growth on Digital Assets.

Some ACM Yield Accounts may have limited capacity and there is no guarantee that all Clients will be able to access a particular ACM Yield Account if the available capacity is exceeded. To the extent that there is more demand for a particular ACM Yield Account than supply for any Deposit Date (defined below), Client participation in such ACM Yield Account will be reduced pro rata by their desired allocation in accordance with ACM’s allocation policy. For more information on current ACM Yield Account offerings, please email abra@ir.com.

Portfolio Strategies

ACM uses a variety of strategies in its discretion to generate yield across the ACM Yield Accounts, including: (i) staking Digital Assets (“Staking Strategies”) in proof-of-stake blockchains (“PoS”); (ii) lending Digital Assets, via decentralized applications built on public blockchain networks, that execute transactions autonomously via smart contracts (a “DAPP”), in exchange for interest, paid-in-kind in the form of the Digital Asset used to provide the loan or by a DAPP’s native Digital Asset (“Lending Strategies”); and/or (iii) automated market making strategies often referred to as liquidity provisioning (“LP Strategies”) where Client Digital Assets are provided as liquidity (referred to as a “Liquidity Provider”) for decentralized exchange applications (referred to as “DEXes”) built on public blockchain networks. Liquidity Providers provide the liquidity for DEX users to swap between Digital Asset trading pairs and in exchange, receive rewards (usually a share of transaction fees) paid in-kind.

Staking Strategies

A key function of decentralized Digital Asset networks is consensus on which transactions are processed and become a part of a particular Digital Asset network’s blockchain ledger. Some of these networks use the PoS consensus mechanism, which allows users to stake the native asset in order to establish which blocks are valid. PoS networks (the Ethereum Network being the largest PoS network) allow users to put their assets to productive use to earn rewards, paid-in kind, in exchange for contributing their assets to the functioning of the blockchain network. The rewards generated through staking activity ranges depending on the market demand and supply for staked assets.

Lending Strategies

ACM’s lending strategies involve lending Digital Assets via a decentralized lending application built on public blockchain networks in exchange for the payment of a fixed or variable rate in return for interest paid in-kind (referred to herein as “Lending Strategies”). Rewards are generally paid in-kind and from time to time in the DAPP’s native token. All lending transactions occur autonomously via smart contract and therefore are designed to avoid counterparty risk. There are many risks associated with decentralized blockchains, which are discussed more fully under “Risk Factors”.

LP Strategies

LP strategies involve providing liquidity in the form of Digital Assets to a DAPP in exchange for a share of transaction fees generated by a DAPP related to parties swapping Digital Assets on the platform. These transactions are executed autonomously and designed to avoid counterparty risk. These transactions may have technology risks and other risks (i.e., the risks of hacking of the DAPP, code execution or economic exploitation risks), which are discussed below under “Risk Factors.”

The rewards earned via the LP Strategy will generally be paid in-kind in the form of the Digital Asset(s) that was/were deployed in the LP Strategy. From time to time, a portion of the rewards

will be earned in-kind in the form of a DAPP's native Digital Assets. Some Digital Assets may be illiquid or semi-liquid for some period of time (e.g., certain Digital Assets may not yet be listed on a public exchange, may be semi-liquid or have a lock-up period). Such Digital Assets may be highly volatile.

Eligible Clients shall be able to deposit into any ACM Yield Account on the first day of any month as long as their SMA is pre-funded with the investable assets) (each date an Eligible Client deposits Digital Assets is a "Deposit Date") and may withdraw from the ACM Yield Account on the last day of any month, with two (2) days written notice prior to the end of that month (each date an Eligible Client withdraws Digital Assets is a "Withdrawal Date").

For additional risks relating to investing in Digital Assets, please see the section below entitled "Risk Factors."

Portfolio Management

ACM's Executive Investment Committee ("EIC") is responsible for ACM's investment strategies and portfolio management, as well as ACM's policies. The EIC determines which portfolio strategies ACM makes available to Clients and oversees each portfolio strategy, except to the extent described below. The EIC may delegate part or all of its responsibilities to a subcommittee or portfolio managers.

Members of the EIC have experience managing Digital Assets at scale in various trading, lending and decentralized yield strategies and ACM uses this experience and knowledge in the selection and evaluation of potential strategies for the ACM Yield Accounts and other SMAs. ACM considers a variety of factors, including but not limited to (i) the historical return profiles of a particular strategy; (ii) the quality and resources of the team that built the DAPP or protocol; (iii) the length of time the DAPP or protocol has operated; (iv) the number and frequency of third-party audits of the DAPP or protocol by reputable smart contract auditing firms; (v) the history of hacks and bugs for the DAPP or protocol; (vi) the assets managed by the DAPP (referred to as "TVL") or protocol and the exit liquidity in specific pools run by the DAPP or protocol; (vii) the governance mechanisms of the DAPP or protocol; (viii) any potential governance and centralization risks presented by the ratio of the market capitalization of the governance token to the TVL; and (ix) any operational risks of implementing the strategy.

B. Fund Clients

Investment Strategies

As described in the Fund Offering Documents, ACM shall serve as investment manager to the Onshore Fund, which offers different investment portfolios through separate series, and the Master Fund, which offers different investment portfolios through segregated portfolios.

The investment objective of Series A and D of the Onshore Fund and Segregated Portfolio A and D of the Master Fund is to generate capital growth over a medium to long term time-period by investing all, or substantially all (except for such assets ACM as determines are reasonably

necessary or appropriate to pay any fees, expenses or other costs, as applicable), of its capital (directly or indirectly, as applicable) into Digital Assets, including Stablecoins or other Digital Assets and investing its Digital Assets into the following delta neutral strategies: (i) trading and lending strategies executed via decentralized financial applications or protocols (“DeFi”) that involve providing liquidity to various DeFi protocols in exchange for interest or fees; (ii) various digital asset options strategies; and/or (iii) Stablecoin-denominated credit facilities with institutional borrowers at a negotiated interest rate using the credit methodology described in more detail in the Fund Offering Documents. Digital Assets that Series A and D of the Onshore Fund and Segregated Portfolio A and D of the Master Fund hold that are not pegged to the USD will be hedged so that the portfolios have minimal beta risk.

The investment objective of Series B and E of the Onshore Fund and Segregated Portfolio B and E of the Master Fund is to generate capital growth over a medium to long term time-period by investing all, or substantially all (except for such assets as ACM determines are reasonably necessary or appropriate to pay any fees, expenses or other costs), of its capital (directly or indirectly, as applicable) into Bitcoin and investing Bitcoin into the following yield-generating strategies: (i) trading and lending strategies executed via DeFi that involve providing liquidity to various DeFi protocols in exchange for interest or fees; (ii) various digital assets options strategies; and/or (iii) Bitcoin-denominated credit facilities with institutional borrowers at a negotiated interest rate using the credit methodology described in more detail in the Fund Offering Documents.

The investment objective of Series C and F of the Onshore Fund and Segregated Portfolio C and F of the Master Fund is to generate capital growth over a medium to long term time-period by investing all, or substantially all (except for such assets as ACM determines are reasonably necessary or appropriate to pay any fees, expenses or other costs), of its capital (directly or indirectly, as applicable) into Ether and investing Ether into the following yield-generating strategies: (i) staking strategies executed via public blockchains and trading and lending strategies executed via DeFi that involve providing liquidity to various DeFi protocols in exchange for interest or fees; (ii) various digital asset options strategies; and/or (iii) Ether-denominated credit facilities with institutional borrowers at a negotiated interest rate using the credit methodology described in more detail in the Fund Offering Documents.

For more information on investment strategies or portfolio management for the Funds, please see the Fund Client’s Offering Documents.

Risk Factors

Investing involves risk that each Client should be prepared to bear. ACM does not guarantee the future performance of any SMA, ACM Yield Account or Fund. Clients must understand that investments made pursuant to ACM’s investment advisory services involve risk and are subject to various market, currency, economic, security, business and other potential risks. Clients should carefully consider all potential risks, including but not limited to the risks and uncertainties described below before investing with ACM.

Additional risks and uncertainties that we are unaware of, or deem immaterial, may also become important factors that adversely impact ACM's business or client investments.

A. Generally Applicable Risks

Dependence on Key Personnel. ACM is dependent on the services of our principal(s) and key personnel. The success of our Clients may depend to a great extent on the investment skills of our principal(s) and key personnel. There can be no assurance that any principals or key personnel will continue to be associated with ACM or its affiliates. Clients may be adversely affected if, because of illness, resignation, or other factors, the services of the relevant principals or key personnel were not available for any significant period.

Force Majeure. Clients' investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including a Client or a counterparty to a Client) to perform its obligations until it is able to remedy the force majeure event and/or prompt precautionary government-imposed closures of certain travel and business. In addition, forced events, such as the cessation of the operation of machinery for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, adversely impact a Client's returns, cause personal injury or loss of life, disrupt global markets, damage property, or instigate disruptions of service. In addition, the cost to a Client of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on the affected Client's expected returns. Certain force majeure events (such as war, terrorism, or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which our Clients may invest and the markets our Clients may trade specifically. Military action or governmental sanctions prompted by certain force majeure events may further impact general economic conditions and market liquidity internationally or in the specific markets our Clients invest. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over industry assets or the imposition of sanction regimes against transacting with certain persons or types of persons, could result in losses to our Clients, including if its investments are canceled, unwound or acquired (which could be without adequate compensation). Any of the foregoing may therefore adversely affect the performance of our Clients and their investments.

Conflicting Fiduciary Duties. Clients may purchase investments in which another Client already has an interest and may do so at different points in time. As an advisor to all Clients, ACM owes a fiduciary duty to all Clients.

Market Risk. Client investments and ACM's investment advisory services are directly

impacted by market conditions that are outside of ACM's control, including but not limited to economic and political conditions, changes and volatility in financial markets, volatility of particular investments, including Digital Assets, changes in markets in which such transactions are processed, interest rates, inflation rates, regulatory changes, and other broad political, social, and economic trends. These changes can arise suddenly and the full impact of market changes on investments can remain uncertain.

Market Risk includes:

Market Decline Risk. Market declines, such as a recession or other prolonged downturns in investment markets, may adversely affect Clients' investment performance. Significant downturns in general economic or political conditions may also cause Clients to be reluctant to make additional investments.

Concentration Risk. If a Client has a high allocation to a particular asset class or classes, to the extent those asset classes underperform relative to other assets in the market, a Client's overall performance may be adversely affected. Conversely, if a Client has a low allocation to a particular asset class or classes that outperform the market over a particular period, a Client's investments may underperform relative to the overall market. With respect to Digital Assets, concentrating investments in the Digital Asset sector increases a Client's risk of loss, because developments that adversely impact one Digital Asset may adversely impact the industry as a whole.

Volatility Risk. ACM's advisory services are based in part upon assumptions derived from historical returns, expected returns, and past price volatility. Past performance is no guarantee of future results, and any historical returns, expected returns, or probability projections may not reflect actual future performance.

Correlation Risk. While ACM strives to construct diversified portfolio strategies, it is possible that different or unrelated asset classes may exhibit similar price changes in similar directions, which may adversely affect a Client's performance and may become more acute in times of market upheaval or heightened volatility.

Liquidity Risk. While ACM strives to ensure Client trades are executed at the best prices reasonably available under the circumstances. ACM relies on Abra Trading Affiliates' selected liquidity partners for Digital Asset trade execution. Risks specific to Digital Asset investing are described in more detail below.

Inflation, Currency, and Interest Rate Risk. Digital Asset prices and portfolio returns may vary in response to changes in inflation and interest rates. Inflation causes the value of future USD to decline and may reduce the purchasing power of an investor's future earnings. Inflation also generally leads to higher interest rates, which may cause the value of many types of investments to decline.

Investment Advice Risk. ACM does not guarantee the results of any investment advice given to Clients. All investing involves risk, and ACM makes no assurances that the investment

objectives of any offered portfolio strategy will be achieved. Although ACM offers diversified portfolio strategies, there is no guarantee that any particular asset allocation or mix of investments will provide a specified return or meet Clients' investment objectives. Furthermore, ACM bases its investment advice on information self-reported by Clients or information linked and authorized by Clients to be provided by third-party vendors. ACM's services are highly dependent on receiving accurate information from Clients, and ACM does not independently verify the accuracy or completeness of provided information. If Clients provide ACM with inaccurate information or fail to promptly update information provided to ACM when it changes, the quality and applicability of ACM's advisory services could be adversely impacted.

Software Risk. ACM may provide investment advisory services using internet applications. Although ACM has standards governing the design, development, and testing of software before it is put into production with Client assets, there is a risk that software may not perform as intended or as disclosed.

Security Risk. As technology has become more common in financial services, Client accounts have become potentially more susceptible to operational, information security, and related risks through cybersecurity incidents. While ACM maintains safeguards to ensure the security of its systems and software, a cyber incident may result from either intentional attacks or unintentional events and include, but are not limited to, gaining unauthorized access to login credentials or to digital systems, misappropriating assets or sensitive information, causing a Client account to lose proprietary information, corrupting data, or causing operational disruption, including denial-of-service attacks on websites. ACM has established policies and procedures reasonably designed to reduce the risks associated with cyber incidents, including the risk that federal securities laws are broken due to a cyber incident. However, there can be no assurance that these policies and procedures will prevent cyber incidents.

Regulatory Risk. Investment performance may directly or indirectly be affected by government legislation or regulation, which may include, but is not limited to: changes in investment adviser or securities trading regulation; change in the US government's guarantee of ultimate payment of principal and interest on certain government securities; and changes in the retirement legislation and tax code that could affect assets, interest income, income characterization and/or tax reporting obligations. There are also particular regulatory risks associated with the crypto industry, described below.

B. Digital Asset Industry Specific Risks

Digital Assets. Digital Assets represent a speculative investment and involve a high degree of risk. Supply is generally determined by a computer code, not by a central bank or identifiable legal entity, and prices can be extremely volatile. Several factors may affect the price of cryptocurrencies and Digital Assets, including, but not limited to supply and demand, investors' expectations with respect to the rate of inflation, interest rates, currency exchange rates or future regulatory measures (if any) that restrict the trading of crypto or the use of crypto as a form of payment. There is no assurance that cryptocurrencies and/or Digital Assets will maintain their long-term value in terms of purchasing power in the future. Some risks particular to Digital Assets include:

Volatility. Digital Assets generally are highly volatile and speculative. The prior performance of a Digital Asset is not necessarily indicative of future results. Many Digital Assets have experienced high levels of performance and rapid increases in price, followed by significant downturns in performance and similarly rapid decreases in price. Clients should be prepared to bear the risk of loss of their investment in Digital Assets.

Limited Investment History. Digital Assets have only emerged as an investment opportunity in the past several years and are thus a relatively untested source of returns. It is unclear what the long-term profitability of Digital Assets will be, and their short history thus far is particularly unreliable for predicting future success.

Availability and Free Tradeability. If any regulators determine that Digital Assets are not freely tradeable and/or constitute securities, this could adversely affect their value.

Technology Risk. Digital Assets are created, issued, transmitted, and stored according to protocols run by computers in the Digital Asset network. It is possible these protocols have undiscovered flaws which could result in the loss of some or all Client assets. There may also be network scale attacks against these protocols that result in the loss of some or all Client assets. Some assets may be created, issued, or transmitted using experimental cryptography that could have underlying flaws. Advancements in quantum computing could break the cryptographic rules of protocols that may be negatively affected by technological advances that undermine the cryptographic consensus mechanism underpinning blockchain and distributed ledger protocols. ACM makes no guarantees about the reliability of the cryptography used to create, issue, or transmit Digital Assets.

Lack of Diversification. ACM Constructed Portfolios are not intended to be a complete investment program and concentrate investments in Digital Assets. Such concentration can result in a greater risk of loss than if it were more diversified. Furthermore, such concentrated Digital Asset investments will become disproportionately susceptible to fluctuations in value resulting from adverse economic or business conditions with respect thereto.

Risks of Uninsured Losses. ACM will maintain general cybersecurity insurance and certain custodians maintain insurance with respect to Client assets, but ACM does not have or expect to obtain insurance of the type that would cover losses associated with Client assets due to hacking or other losses of Client assets.

Risks Relating to Government Oversight. Regulatory schemes and regulatory investigation and enforcement efforts—both foreign and domestic—possibly affecting Digital Asset networks may not be fully developed and may experience ongoing changes. It is possible that any jurisdiction may, in the near or distant future, adopt laws, regulations, policies, rules, or investigation and enforcement priorities that directly or indirectly affect the Digital Assets generally or restrict the right to acquire, own, hold, sell, convert, trade, lend or use Digital Assets, to exchange Digital Assets for either fiat currency or other virtual currency, or to operate or participate or transact with a DAPP. It is also possible that government authorities may claim ownership over or ban certain types of Digital Assets or that law enforcement agencies (of any or

all jurisdictions, foreign or domestic) may take direct or indirect investigative, enforcement, or prosecutorial action related to, among other things, the use, ownership or transfer of Digital Assets or business arrangements associated with Digital Assets, resulting in a change to the value of a Digital Asset or to the development of such asset.

Federal Regulatory Authorities

CFTC

The Commodities Future Trading Commission (CFTC) has not to date promulgated any regulations specifically addressing Digital Assets or the activities of participants in Digital Asset networks. However, as the primary regulator of derivatives (i.e., futures, options and swaps), the CFTC also has jurisdiction over all such digital currency-linked derivatives, including the platforms that list them and the clearinghouses that clear them. The CFTC has asserted its regulatory authority over Digital Assets, stating that both Bitcoin and Ether are Digital Asset commodities. See “In Case You Missed It: Chairman Tarbert Comments on Cryptocurrency Regulation” at Yahoo! Finance All Markets Summit, Release Number 8051-19 (Oct. 10, 2019).

In addition, the CFTC has brought close to fifty (50) enforcement actions relating to the Digital Asset space. See Testimony of Chairman Rostin Behnam, “Examining Digital Assets: Risks, Regulation, and Innovation” (Feb. 09, 2022). For example, the CFTC fined the stablecoin issuer Tether Holdings Limited (“Tether”) for making misleading statements regarding Stablecoin USDT in October 2021. Tether was fined forty-one million USD (\$41mm) for misrepresenting to customers and the market that Tether maintained sufficient U.S. dollar reserves to back each Tether token in circulation. See “CFTC Orders Tether and Bitfinex to Pay Fines Totaling \$42.5 Million,” Release Number 8450-21 (Oct. 15, 2021). Similarly, in a case involving BitMEX cryptocurrency derivatives trading platform in August 2021, the CFTC found BitMEX in violation of the Commodity Exchange Act by operating a facility to trade or process swaps without proper approvals, fining BitMEX one hundred million USD (\$100mm). It should be noted that the Financial Crimes Enforcement Network (FinCEN) separately assessed a civil money penalty of one hundred million USD (\$100mm), deemed satisfied by payment of the CFTC’s fine, for significant anti-money laundering program failures. See *In the Matter of HDR Global Trading Limited et al.*, Assessment of Civil Money Penalty Number 2021-02 (Aug. 10, 2021).

In addition, the CFTC has already engaged in an enforcement action against a DeFi platform, Blockratize, Inc. d/b/a Polymarket, for offering off-exchange event-based binary options contracts and failing to register as a swap execution facility or obtain designation as a designated contract market (“DCM”). See Blockratize, Inc. d/b/a Polymarket.com, CFTC Docket No. 22-09 (Jan. 3, 2022). According to the CFTC, Polymarket had been using blockchain-hosted smart contracts to operate an illegally unregistered or non-designated facility for event-based binary options trading contracts, and those event-based binary options contracts constituted swaps under the CFTC’s jurisdiction.

SEC

Whether certain Digital Assets are deemed securities, or not, the SEC or other government entities may investigate or examine circumstances associated with transacting in those Digital

Assets. Other government entities with different enforcement options may also pursue investigations or actions involving transactions in Digital Assets that are not deemed securities.

On April 3, 2019, the SEC published a framework aimed at assisting in determining whether a cryptocurrency is a security (the “Framework”). Alongside the Framework, the SEC also published a no-action letter for TurnKey Jet, Inc. (the “TurnKey Letter”), which marks the first ever no-action letter regarding cryptocurrencies. Per the Framework and the TurnKey Letter, cryptocurrencies cannot be used to raise capital without implicating U.S. securities laws. Prior to the Framework, the SEC had addressed the regulatory status of cryptocurrencies in various contexts. For example, on November 16, 2018, the SEC settled charges against CarrierEQ Inc. (“Airfox”) and Paragon Coin Inc. (“Paragon”), two companies that sold digital tokens in ICOs in 2017. The SEC determined that both AirTokens (from Airfox) and PRG tokens (from Paragon) were “securities” and that, in turn, Airfox and Paragon violated Sections 5(a) and 5(c) of the Securities Act by offering and selling those securities without having a registration statement filed or in effect with the SEC or qualifying for exemption from registration with the SEC. The SEC’s orders imposed a two hundred fifty thousand USD (\$250,000) penalty against each company, and each company agreed to return funds to harmed investors, register the tokens as securities, file periodic reports with the SEC, and pay penalties. Airfox and Paragon consented to the orders without admitting to or denying the SEC’s findings.

In recent years, members of the SEC and other regulatory authorities have stated that certain Digital Assets or Digital Asset products are, or may be, classified as securities under U.S. federal and state securities laws. Such assertions are the topic of significant disagreement and debate, and U.S. federal courts have not definitively opined on the matter. In September 2022, current SEC Chairman Gary Gensler has stated his opinion that “many crypto tokens are securities” and that “many crypto intermediaries are transacting in securities and have to register with the SEC in some capacity.” In June 2022, Chairman Gensler suggested that Bitcoin is a commodity but did not opine whether other specific Digital Assets would fit that classification. This approach contrasts with earlier, but recent statements by former SEC Commissioners, including former Chairman Clayton who, in 2018, stated that Digital Assets, such as Bitcoin (but not necessarily limited to Bitcoin), “are replacements for sovereign currencies” and that such type of currency “is not a security.” In 2018, SEC Director of Corporation Finance William Hinman stated that, based on his understanding of the present state of Ether and the Ethereum network, “current offers and sales of Ether are not securities transactions.”

The SEC has recently brought enforcement actions relating to Digital Assets that assert the SEC’s jurisdiction due to the SEC’s classification of such instruments as securities. These risk factors do not contain a comprehensive description of all such actions, but provide certain examples and key cases:

In July 2022, the SEC filed securities fraud charges against a former employee of Coinbase relating to misuse of confidential information, alleging that this individual engaged in illegal trading in several Digital Assets, which the SEC asserted are securities. Ether and/or Ethereum was not one of these assets. The federal courts have not yet ruled on this matter.

In 2020, the SEC brought a lawsuit against Ripple Labs, alleging that Ripple and its executives illegally sold XRP, a Digital Asset token, without first registering XRP as a security. This matter is presently being litigated in the federal courts.

In February 2023, the SEC entered into a settlement agreement with Payward Ventures, Inc. and Payward Trading Ltd. (collectively, “Kraken”), a Digital Asset exchange, after alleging that Kraken’s “staking-as-a-service” program constituted an offering and sale of securities. The settlement agreement provides that Kraken will cease offering or selling securities through Digital Asset staking services or staking programs and pay thirty million USD (\$30mm) in disgorgement, prejudgment interest, and civil penalties.

In February 2023, the SEC issued a Wells notice to the Paxos Trust Company, LLC (“Paxos”). Based on news reports, this Wells notice relates to the assertion that Paxos issued a stablecoin, BUSD, without first registering it as a security.

The SEC has also engaged in an enforcement action involving DeFi, charging two individuals, along with their Cayman Islands company, for (i) the unregistered sale of more than thirty million USD (\$30mm) of securities via smart contracts and DAPP technology, and (ii) misleading investors regarding the operations and profitability of their business, called DeFi Money Market. See “SEC Charges Decentralized Finance Lender and Top Executives for Raising \$30 Million Through Fraudulent Offerings,” SEC Press Release No. 2021-145 (Aug. 6, 2021).

More recently, the SEC has continued to bring enforcement actions in the Digital Asset space, including its first insider trading case involving Digital Assets. See Press Release, SEC Charges Former Coinbase Manager, Two Others in Digital Asset Insider Trading Action (July 21, 2022). Also, the SEC has doubled the size of its digital asset enforcement unit. See Press Release, SEC Nearly Doubles Size of Enforcement’s Digital Assets and Cyber Unit (May 3, 2022). In addition, Coinbase is reportedly under investigation by the SEC over its staking programs, yield-generating products, and token listing processes. Danny Nelson, Coinbase Exchange Faces SEC Probe Over Crypto Yield, Staking Products, CoinDesk (last updated Aug. 10, 2022) and members of SEC’s senior leadership team, also from time to time, make statements in their personal capacity that address Digital Assets and whether or how certain Digital Assets might be deemed “securities” by the SEC.

To the extent that certain Digital Assets could in the future unexpectedly be deemed by regulators (including the SEC), legislation, or courts to fall within the definition of a security for purposes of U.S. laws and regulations, any Series may be required to comply. Such associated compliance costs could adversely affect an investment in such Series.

Risks Relating to Digital Assets and Digital Asset Networks **Digital Assets Generally.** The investment characteristics of Digital Assets generally differ from those of traditional currencies, commodities or securities. Importantly, Digital Assets are typically not backed by any central bank or a national, supra-national or quasi-national organization, any hard assets, human capital or any other form of credit. Rather, Digital Assets are market-based: a Digital Asset’s value is determined by (and often fluctuates according to) supply and demand factors, the number of

persons that accept it, and the value that various market participants place on it through their mutual agreement, barter or transactions.

Some of the ACM Constructed Portfolios will invest in Bitcoin. The methods whereby Bitcoin is created, secured, accessed and used may differ from other cryptocurrencies. The risks and background related to Bitcoin, an early and prominent Digital Asset, are set forth below.

Overview of Bitcoin, the Bitcoin Network and the Bitcoin Market. Presently, Bitcoin is a type of decentralized, virtual Digital Asset that functions without the intermediation of any central authority. Each individual Bitcoin unit exists as a digital file, based upon a mathematical proof, and is comprised of two numbers, or “keys:” the public key that encrypts a transaction value and the private key that decrypts it. Bitcoin allows users to send payments within a decentralized, peer-to-peer network, and does not require a central clearinghouse or financial institution clearing transactions. As mentioned above, the smallest unit into which a Bitcoin can be divided is called a Satoshi: 1 Bitcoin contains 100 million Satoshi.

Bitcoin Network. The “Bitcoin network” refers to the online platform through which Bitcoin is mined, validated and transmitted. Understanding the Bitcoin network requires an understanding of the terms “cryptography,” “blockchain” and “mining.”

Cryptography. In the Bitcoin context, cryptography refers to the mathematical proofs on which any given Bitcoin is based. The cryptography basis is intended to provide the Bitcoin network with a high level of security. Such security, in turn, is designed to permit network users to control transactions and prevent double-spending (i.e., when a unit of Bitcoin would be concurrently sent to and accepted by two different recipients). The Bitcoin network hosts (i.e., provides a forum for) the blockchain. As explained below, the blockchain and “mining” concepts are necessary to create a consensus on the Bitcoin network regarding which transactions will be confirmed and considered valid.

Bitcoin Blockchain. The Bitcoin blockchain is a chronologically ordered, public record of all validated Bitcoin transactions across the Bitcoin network. It is shared among all Bitcoin users. Each “block” in the “chain” (or entry in the record) contains and confirms many waiting transactions. The blockchain works as follows: engaging in Bitcoin transactions requires a user to install or access on its computer or mobile device a Bitcoin software program that will allow the user to generate a digital Bitcoin account, commonly known as a “digital wallet” or “wallet” in which to store Bitcoin, connect to the Bitcoin network and purchase or sell, own, transfer, or receive Bitcoin. Users that have installed Bitcoin-Qt must also make periodic software upgrades. Each Bitcoin wallet includes a unique address and verification system consisting of a “public key” and a “private key” which are linked mathematically to each other. A public key serves as an address for the digital wallet—similar to a bank account number. A user must provide its public key to the party initiating the transfer. The private key is a secret piece of data that proves the user is authorized to spend Bitcoin from a specific wallet—similar to a personal pin to confirm a transaction. It authorizes access to, and transfer of, the funds in the digital wallet to other users. Private key(s) may be stored on a user’s computer or on remote servers. If a user fails to secure or make a backup of the public and private key relating to a digital wallet, or loses its private key, or the digital wallet containing the keys is deleted or hacked into, the user

permanently loses access to the Bitcoin contained in the associated digital wallet, without any recourse to a centralized group or agency to assist in its recovery.

Each Bitcoin user must “sign” transactions with a data code derived from entering the applicable private key into a “hashtag algorithm.” The hashtag algorithm produces a hash (or timestamp) which serves as a signature validation that the transaction has been authorized by the Bitcoin owner. Each timestamp includes the previous timestamp hash as input for its own hash. This dependency of one (1) hash on another is what forms a chain, with each additional timestamp providing evidence that each of the previous timestamp hashes existed. Presently, each block on the blockchain contains a record of hundreds of validated transactions. Each validated transaction contains a unique identifier (i.e., a Bitcoin address/public key) that can be searched and located on the blockchain through websites such as www.blockchain.com. It takes approximately ten (10) minutes for each Bitcoin transaction to be confirmed by the Bitcoin network through the efforts of miners and a new block in the Bitcoin blockchain to be created. Each block that is added to the Bitcoin blockchain reduces the risk that a previous transaction will not be reversed or that double-spending has not occurred.

Mining. Bitcoin mining is the process of validating and adding transaction records to Bitcoin’s public ledger of past transactions (i.e., the blockchain). Each block is an independent mathematical proof which depends on the previous block. As an incentive to update the Bitcoin blockchain, Bitcoin miners may collect transaction fees for the Bitcoin transactions they confirm, along with newly created Bitcoin (i.e., Bitcoin rewards). Only the first Bitcoin miner to compute the proof is rewarded with Bitcoin, while the rest of the miners have to start over on a new block. Bitcoin supply is increased with every new block of transactions that is added to the Bitcoin blockchain. Currently, the reward is six and a quarter (6.25) Bitcoin for each block that is added to the blockchain. The reward for solving a block is automatically reduced by half for every two hundred ten thousand (210,000) blocks mined—so that roughly every four (4) years of operation of the Bitcoin network, half the amount of Bitcoin created in the prior four (4) years are created. It is understood (but not guaranteed) that the total number of Bitcoin in existence will never exceed twenty-one million (21mm). Mining is currently very expensive and time consuming, and miners must dedicate substantial resources to continuously power and cool devices. The mining reward system is designed to ensure miners are compensated for their efforts and new Bitcoin enters into public circulation. The Bitcoin network’s mining protocol is intended to make it more difficult to solve for new blocks in the blockchain as the processing power dedicated to mining increases. Therefore, the Bitcoin mining process is designed to incentivize people to be efficient and use as little power as possible to create blocks and validate the transactions. Given the time and resources that must be dedicated to mining, Bitcoin miners may “pool” their efforts and act cohesively to combine their processing power to solve blocks. These efforts are called mining “pools,” and pool members generally split any resulting rewards based on the processing power each such pool members contributed to solve for such blocks.

Digital Asset Exchanges. Digital Asset exchanges are third-party service providers that convert a Bitcoin to fiat currencies (i.e., currency a government considers to be legal tender) or other cryptocurrencies. Bitcoin is bought, sold and traded with publicly disclosed (but often-changing) valuations on Digital Asset exchanges, where the majority of Digital Asset buying and selling activity occurs. Digital Asset exchanges provide the most data with respect to prevailing

valuations of Bitcoin. Market participants can choose which exchange on which to buy or sell Bitcoin, although these exchanges may charge significant fees for processing transactions. A Digital Asset exchange is subject to U.S. federal and state regulatory requirements.

Digital Asset Service Providers. Several companies and financial institutions provide services related to the buying, selling, payment processing and storing of Bitcoin (i.e., banks, accountants, exchanges, digital wallet providers and payment processors). ACM expects the number of service providers to increase as the network for Bitcoin continues to grow. However, there is no assurance that the Bitcoin market, or the service providers necessary to accommodate it, will continue to support Bitcoin, continue to exist or grow. Further, there is no assurance that the availability of and access to Bitcoin service providers will not be negatively affected by government regulation or supply and demand of Bitcoin. Accordingly, companies or financial institutions that currently support Bitcoin may not do so in the future.

Bitcoin Investment Market. Private and professional investors and speculators invest and trade in Bitcoin. These market participants may range from exchange-traded-funds, private investment funds, brokers and day-traders. Certain activity involving Bitcoin may require approvals, licenses or registration, which may serve as a barrier to entry of investors, thereby limiting the market for Bitcoin. There is no assurance that the investment market for Bitcoin will continue to grow.

Ethereum Risk. Some of the ACM Constructed Portfolios will invest in Ether. The methods whereby Ether is created, secured, accessed and used may differ from other cryptocurrencies. The risks and background related to Ethereum and Ether are set forth below.

Overview of Ethereum. Ethereum is a decentralized, open-source “computer” that relies on a distributed virtual computer, cryptographic protocols and a general-purpose blockchain (the Ethereum blockchain) to effect transactions, including transactions effected through smart contracts. To measure and constrain transaction costs in the Ethereum network, Ethereum uses its native cryptocurrency, ether (“Ether” or “ETH”), which is acting as virtual currency for “gas payment”. Transactions in Ethereum, which may include a transfer of Ether and tokens from one end user account to another, or the creation of a smart contract, are processed by the virtual computer and are added to the Ethereum network using a PoS consensus algorithm. One of the principal components of Ethereum—a general-purpose blockchain—was originally formulated by Vitalik Buterin in a 2013 white paper. While Vitalik’s idea was refined with the help of others, the formal development of the Ethereum network began through a Swiss firm called Ethereum Switzerland GmbH in conjunction with several other entities. Subsequently, the Ethereum Foundation, a Swiss non-profit organization, was set up to oversee the protocol’s development. The launch of Ethereum, and the mining of the first Ethereum block on the Ethereum network, occurred on July 30, 2015.

Overview of Ether. Presently, Ether is a type of decentralized, virtual “cryptocurrency,” that functions without the intermediation of any central authority. Unlike Bitcoin, Ether was not designed to serve as a store of value. Instead, it was meant to pay for specific transactions on the Ethereum network. As of August 2022, Ether was the second largest digital asset, as measured by market capitalization. While Ether has several denominations units, Ether is quoted in its smallest denomination, the wei, when transacting on the Ethereum network.

Unlike other Digital Assets such as Bitcoin, which are solely created through a progressive mining process, seventy-two million (72.0mm) Ether were created in connection with the launch of the Ethereum network. Following the launch of the Ethereum network and prior to the Merge, Ether was created and allocated by the Ethereum network protocol through a “mining” process that rewarded miners two (2.0) Ether per block, and imposed no aggregate cap on the total number of Ether outstanding. After the Merge, Ether is created and allocated by the Ethereum network protocol through a PoS process.

Ethereum’s Merge to PoS: The Ethereum network was upgraded from the original proof-of-work (PoW) mechanism to PoS with the original Ethereum Mainnet merging with a separate PoS blockchain called the Beacon Chain on September 15, 2022 (the “Merge”). Any Ether “staked” before the Merge that was locked in validator addresses is currently unlocked. All validators now have the right to relinquish their duties and withdraw their funds on a pre-determined schedule. Unlike PoW, in which miners expend computational resources to compete to validate transactions and are rewarded coins in proportion to the amount of computational resources expended, in PoS, validators risk or “stake” coins to compete to be randomly selected to validate transactions and are rewarded coins in proportion to the amount of coins staked. Any malicious activity, such as creating multiple blocks, disagreeing with the eventual consensus or otherwise violating protocol rules, results in the forfeiture or “slashing” of a portion of the staked coins. Additionally, a proof of stake consensus algorithm is viewed as being more energy efficient, and is expected to make the Ethereum network more scalable to accommodate larger applications.

Summary of an Ethereum Transaction and the Role of Gas. In Ethereum, a transaction is a signed message that is originated by an externally owned account, and contains several pieces of information, including (i) the price of “gas” (measured in wei / gas units) the transaction originator is willing to pay, (ii) the maximum amount of gas the originator is willing to buy to execute the message, (iii) the recipient Ethereum address (which may be the address of a contract), (iv) the data being sent and (v) an encrypted digital signature of the originating account.

Gas is a unit describing the amount of computational power needed to execute specific operations on the Ethereum network. Before the Ethereum’s fee mechanism was upgraded to Ethereum Improvement Proposal 1599 (“EIP-1599”), a transaction originator could select (i) the price (in Ether) per unit of gas to originate the transaction (e.g., 70 gigawei / unit of gas) and (ii) a “gas limit” (which limit represents the maximum units of gas the originator is willing to purchase to effect the transaction) in order to accomplish this transaction. If the originator tried to execute a transaction with too low of a gas limit, the attempted transaction would fail, without any impact to the blockchain. With EIP-1599, a transaction originator pays an algorithmically determined “base fee” for each transaction with an option to also include a “tip” if it wants such transaction to be prioritized.

Smart Contracts. A smart contract is a collection of code that resides at a specific address on the Ethereum blockchain. While smart contracts can share information with and use information from other contracts, store data, and send ether to other accounts, smart contracts will only execute if an end user account executes a transaction that initiates the contract. When a contract is deployed, the relevant amount of Ether that must be paid in gas is deducted from the contract

originator's account balance. In a successful deployment, the Ether that was used to pay for gas is then added to the block reward of the current block and distributed to the miner who successfully wins the block. This is considered part of the miner's compensation for securing the network.

After the deployment of a smart contract on the Ethereum network, the smart contract becomes a permanent part of the blockchain. Whenever a node wants to call any of the methods defined by the contract, it can send a message to the address for the contract, specifying data as input and the method that must be called. The contract will run as part of the creation of newer blocks up to the gas limit or completion. While smart contracts cannot be altered, they can be deleted, resulting in no code being executed when a transaction is sent to the address corresponding to the smart contract.

Stablecoin Risks. Some of the ACM Constructed Portfolios invest in USD-backed stablecoins ("Stablecoins"). Stablecoins are distinct from other Digital Assets in that their value is backed by the value of an underlying asset, such as fiat currency like USD, commodities or other cryptocurrencies. Stablecoins are subject to the same risks as other Digital Assets as set forth herein but are also subject to unique risks. While Stablecoins are intended to be less volatile than other Digital Assets, they are inherently subject to the volatility of the underlying assets to which they are pegged. Fiat-based Stablecoins are centralized, which exposes the holder of such Stablecoins to counterparty risk, including but not limited to, a centralized entity that issues the applicable Stablecoin and manages the fiat conversion. Specifically, fiat-based Stablecoins require the holder of such Stablecoins to rely on the issuer to have sufficient reserve to back up all of the issued Stablecoins, and there is significant risk that issuers of fiat-based Stablecoins do not, and may not in the future, retain sufficient reserves. Further, fiat-based Stablecoins may be subject to greater oversight and regulation and may be further dependent on actions taken by the banking industry to support such Stablecoins and other geopolitical factors that may influence government support of such Stablecoins, all of which could affect the value of such Stablecoins.

Algorithmically-managed stablecoins ("Algorithmic Stablecoins") pose additional risks by comparison to fiat and Digital Asset-backed Stablecoins. Notably, Algorithmic Stablecoins do not typically rely on reserve backing assets or overcollateralization, meaning that Algorithmic Stablecoin are inherently more volatile than Stablecoins backed by fiat or traditional commodities, and potentially more volatile than Digital Asset-backed Stablecoins given the lack of overcollateralization. Instead, Algorithmic Stablecoins generally rely on two (2) separate Digital Assets—a stablecoin and another Digital Asset which backs the stablecoin—with an algorithm (i.e., a smart contract) regulating the relationship between the stablecoin and backing Digital Asset. The smart contract that governs the relationship between the two (2) assets is generally programmed to automatically generate more units of a Stablecoin, or destroy already existing units of the backing Digital Asset, in response to swings in each Digital Asset's relative supply and demand. For example, TerraUSD, an Algorithmic Stablecoin backed by its sister token LUNA, lost its USD-peg in May 2022 due to market factors outpacing the algorithm's ability to burn and mint tokens to maintain stability. See Ekin Genç, Algorithmic Stablecoins: What They Are and How They Can Go Terribly Wrong, CoinDesk (May 16, 2022). As such, the use of Algorithmic Stablecoins may expose the Series to relatively high-volatility risks by

comparison to fiat-based Stablecoins and Digital Asset-backed Stablecoins. ACM Constructed Portfolios that feature Stablecoins do not have exposure to Algorithmic Stablecoins.

Counterparty Risk. The USD equivalents that provide the backing for the Stablecoins are held in trust by third-party banks and custodians. While many Stablecoin issuers provide monthly or annual attestations by independent third-party auditors that detail their reserves and banking partners, the value of any given Stablecoin is tied to the financial viability of the Stablecoin issuers' banking partners and the U.S. government (in the case of U.S. treasuries).

Depegging Risks. Stablecoins may become depegged if the market no longer believes the Stablecoin is fully backed. This may happen for a variety of reasons. For example, if the assets held by the issuer of the Stablecoin were devalued, illiquid or unavailable due to the insolvency or failure of a relevant bank custodian, that the Stablecoin could "depeg" either temporarily or permanently. In addition, regulatory or legal issues related to the use or issuance of Stablecoins could also pose a risk factor for potential depegging of USDC or other USD-backed Stablecoins. If there were to be significant regulatory changes or legal challenges to the issuance or use of Stablecoins, it could impact the ability of USDC issuers to maintain the peg, potentially leading to a depegging event.

Recent Developments in the Digital Asset Industry. In 2022, several prominent Digital Asset-related firms, including trading venues, exchanges and lending platforms, experienced financial distress and/or declared bankruptcy (the "2022 Developments"). These failures included firms such as Celsius Network LLC ("Celsius"), Three Arrows Capital ("3AC"), FTX Trading Ltd., and Voyager Digital Holdings, Inc. ("Voyager"). The impact of the 2022 Developments on the Digital Asset markets, including on other institutions or critical infrastructure for such markets, is not yet known and may evolve. Such impacts may include, but are not limited to loss of confidence in the Digital Asset markets, reduced participation in the Digital Asset markets, closer scrutiny by governmental authorities of firms transacting in Digital Assets, or servicing Digital Asset market participants, new legislation or regulation affecting the Digital Asset markets.

The 2022 Developments resulted in price changes and volatility in the Digital Asset markets, as well as increased negative scrutiny of the Digital Asset markets by governmental authorities and the press. Selling of Digital Assets by companies experiencing bankruptcy and/or financial distress could depress the prices of such assets. It is possible that such effects could cause systemic risks to the Digital Asset markets. If the 2022 Developments cause sustained adverse impacts on the Digital Asset markets, the effectiveness and outlook for the Series' investment strategies may be impacted in a materially adverse manner.

Forced selling by distressed companies may also depress the prices of Digital Assets or other assets used as collateral by other firms. If this market condition becomes widespread in the cryptoeconomy, including as a result of the 2022 Developments, we may suffer from increased counterparty risk, including defaults or bankruptcies of major customers or counterparties, which could lead to significantly reduced activity and fewer available Digital Asset market opportunities. Further, forced selling of Digital Assets by distressed companies could lead to lower Digital Asset prices and a consequent reduction in a Series' performance. To the extent

that conditions in the general economic and Digital Assets markets materially deteriorate, our ability to attract and retain Clients may suffer.

Digital Asset Key Person Risk. Although blockchain technology emphasizes decentralization and transparency, certain cryptocurrency protocols, including certain Digital Assets, are headed by one or more creators who remain active in the ongoing development and leadership of such protocol or Digital Assets. If a creator or leader of a Digital Asset is unwilling or unable to continue supporting and developing the Digital Asset, the price of the Digital Asset, as well as other Digital Assets, could be negatively affected.

Development and Acceptance of Digital Asset Networks. The growth and use of Digital Assets generally is subject to a high degree of uncertainty. Indeed, the future of the industry likely depends on several factors, including, but not limited to: (a) economic and regulatory conditions relating to both fiat currencies and Digital Assets; (b) government regulation of the use of and access to Digital Assets; (c) government regulation of Digital Asset service providers, administrators or exchanges; and (d) the domestic and global market demand for and availability of other forms of Digital Assets or payment methods. Any slowing or stopping of the development or acceptance of Digital Assets or a Network may adversely affect an investment in any Series.

Price Volatility. A principal risk in transacting in Digital Assets is the rapid fluctuation of their market price. High price volatility undermines Digital Assets' role as a medium of exchange as retailers are much less likely to accept it as a form of payment. High price volatility can also result in counterparty risks, specifically where a significant drop in the price of Digital Assets results in various industry bankruptcies. See David Yaffe-Bellany & Erin Griffith, 'The Music Has Stopped': Crypto Firms Quake as Prices Fall, N.Y. Times (June 14, 2022). The price of Digital Assets may be affected generally by a wide variety of complex and difficult to predict factors such as Digital Asset supply and demand; rewards and transaction fees for the recording of transactions on a blockchain; availability and access to Digital Asset service providers (such as payment processors), exchanges, miners or Digital Asset users and market participants; perceived or actual Network security vulnerability; inflation levels; fiscal policy; interest rates; and political, natural and economic events.

Further, if the supply of Digital Assets available to the public were to increase or decrease suddenly due to, for example, a change in a Digital Asset source code, the dissolution of a Digital Asset exchange, or seizure of Digital Assets by government authorities, then the price of Digital Assets could fluctuate rapidly. For example, in the first half of 2022, Digital Asset lenders Celsius and Voyager as well as Digital Asset hedge fund 3AC each declared bankruptcy. Such disruptions eroded the confidence of participants in the Digital Asset ecosystem and resulted in increased negative publicity surrounding Digital Assets more broadly and market-wide declines in Digital Asset trading prices and liquidity. See, e.g., Oliver Knight, DeFiance Capital Has Been 'Materially Affected' by Three Arrows Liquidation, CoinDesk (Jul. 15, 2022) (stating that 3AC's collapse and liquidation materially affected at least one firm and adversely impacted various others); MacKenzie Sigalos, From \$25 billion to \$167 million: How a major crypto lender collapsed and dragged many investors down with it, CNBC (last updated Jul 18 2022) ("The fall of Celsius marks the third major bankruptcy in the crypto ecosystem in two

weeks, and it is being billed as crypto’s Lehman Brothers moment — comparing the contagion effect of a failed crypto lender to the fall of a major Wall Street bank that ultimately foretold the 2008 mortgage debt and financial crisis.”). Such changes in demand and supply of Digital Assets could adversely affect an investment in any Series. In addition, governments may intervene, directly and by regulation, in the Digital Asset market, with the specific effect, or intention, of influencing Digital Asset prices and valuation (e.g., releasing previously seized Digital Assets). Similarly, any government action or regulation may indirectly affect the Digital Asset market or Digital Asset network, influencing Digital Asset use or prices. Further, if future regulatory actions or policies limit the ability to own or exchange certain Digital Assets in the retail and commercial marketplace, or use them for payments, or own them generally, the price and demand for such Digital Assets may decrease.

Forks and Airdrops. To the extent a Digital Asset held by a Client undergoes a hard fork or an airdrop, the Digital Assets resulting from the hard fork or airdrop (collectively, “New Digital Assets”) are provided involuntarily and without consideration. A hard fork or airdrop may affect the value of the original Digital Asset held by a Client (the “Original Digital Asset”). If ACM or any third-party custodian accommodates the New Digital Asset, the Client will be able to claim the New Digital Asset. Nevertheless, ACM or a third-party custodian may (i) not accommodate the New Digital Asset; (ii) may only accommodate the New Digital Asset after a significant period; or (iii) may have a contractual right to claim the New Digital Asset for their own account. Further, it is likely that any New Digital Assets will be illiquid and difficult to value. Moreover, tax liability for unwanted assets gained involuntarily from forks and airdrops could adversely affect the Client.

Digital Asset Custodial Risk. For SMAs, ACM custodies Client assets through its partnership with Fireblocks Inc., a New York corporation and technology service provider to ACM (“Fireblocks”). Fireblocks is a technology provider that provides Digital Asset wallet infrastructure and is not a financial institution or qualified custodian. ACM holds Client’s Digital Assets at Fireblocks and any operational issues at Fireblocks could impact Clients’ ability to transact in Digital Assets.

For the Funds, ACM shall partner with BitGo New York Trust Company, LLC, a New York state registered trust company (“Bitgo”) to provide crypto custody and trade execution services. Any operational issues at Bitgo could impact clients’ ability to transact in crypto. Bitgo also has the ability to freeze trading in a particular Digital Asset, in a particular client account, or in all ACM client accounts if it identifies the account has received assets that are subject to scrutiny (including but not limited to anti-money laundering and fraud risks). If Bitgo were to freeze trading in a client account, a client would be unable to transact until Bitgo lifted the freeze. If Bitgo were to freeze trading in a particular Digital Asset, clients invested in that asset would be unable to sell or withdraw funds in that asset. If Bitgo, or any other service provider upon which ACM relies, were to experience financial, regulatory, or other difficulties that adversely affects its operations, client’s Digital Asset portfolio would be adversely affected. This is particularly acute in light of the changing regulatory and business environment for Digital Assets. If Bitgo is no longer able to successfully provide services to ACM clients, and an alternative custodian is not immediately available, this could have an impact on ACM’s ability to serve its Clients.

Risk of Loss of Private Key. Digital Assets are controllable only by the possessor of unique private keys relating to the addresses in which the Digital Assets are held. The theft, loss or destruction of a private key required to access a Digital Asset is irreversible, and such private keys would not be capable of being restored by the Client.

Stolen or Incorrectly Transferred Digital Assets May be Irretrievable. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of Digital Assets or a theft of Digital Assets generally will not be reversible and Clients may be capable of seeking compensation for any such transfer or theft. It is possible that, through computer or human error or through theft or criminal action, any Client's Digital Assets could be transferred in incorrect amounts or to unauthorized third-parties. To the extent that any Client is unable to seek a corrective transaction with such third-party or is incapable of identifying the third-party that has received such Client's Digital Assets through error or theft, such Client will be unable to revert or otherwise recover incorrectly transferred Digital Assets. To the extent that any Client is unable to seek redress for such error or theft, such loss could adversely affect an investment in such Series.

Security of Digital Asset Networks. Hackers or malicious actors may launch attacks to steal, compromise or secure Digital Assets, such as by attacking a Network's source code, exchange servers, third-party platforms, cold and hot storage locations or software, Digital Asset transaction history, or by other means. Techniques to secure the blockchains of Digital Asset networks are recent inventions and may fail. For example, the incentives that keep a blockchain decentralized may prove insufficient, thus impacting the value or security of investment indirectly or directly held by a Client. Exploits in various blockchains may occur, which may result in losses for a Client.

Amendments to a Digital Asset Network's Protocols and Software Could Adversely Affect a Client's Investment. Digital Asset networks ("Networks") are typically based on protocols that govern peer-to-peer interactions between the computers that are connected to a Network. Generally, the code that sets forth a Digital Asset's protocol is informally managed by a development team known as the core developers. A Digital Asset's core developers, miners and/or users (each such core group in respect of a particular Digital Asset, the "Community") can propose amendments to a Network's source code through one or more software upgrades that alter such Digital Asset's protocols, the software that governs its Network and the properties of the Digital Asset itself, including but not limited to the irreversibility of transactions and limitations on the mining/creation of new Digital Asset units. To the extent that a majority of a Community installs such software upgrade(s), such Network could be subject to new protocols and software that may adversely affect a Client's investment and trading activities. If less than a majority of a Community installs such software upgrade(s), such Network could "fork." Many digital currencies and Digital Assets are open-source projects and, although there may be an influential group of leaders in a specific Community, there may be no official developers or group of developers that formally control the applicable Network. For many digital currencies and Digital Assets, any individual can download the applicable Network software and make any desired modifications that are proposed to the relevant Community through software downloads and upgrades. However, the Community must usually consent to those software modifications by

downloading the altered software or upgrade that implements the changes; otherwise, the changes do not become a part of that Network. A developer or group of developers could potentially propose a modification to a Network that is not accepted by the applicable Community, but that is nonetheless accepted by a substantial portion of such Community. In such a case, a “fork” in the blockchain could develop and two separate Networks could result, one running the pre-modification software program and the other running the modified version (i.e., a second such Network in respect of the same Digital Asset). Such a fork in the blockchain would typically be addressed by Community-led efforts to merge the forked blockchains. This kind of split in a Network could materially and adversely affect the value of a Series’ investments and, in the worst-case scenario, harm the sustainability of the applicable Digital Asset’s economy.

Risk to Digital Assets Networks from Malicious Actors. If a malicious actor or botnet (i.e., a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on certain Networks, then such malicious actor or botnet may be able to alter the blockchain on which the Digital Assets’ transaction relies by constructing alternate blocks if it solves for such blocks faster than the remainder of the miners on the Network can add valid blocks. In such alternate blocks, the malicious actor or botnet could control, exclude or modify the ordering of transactions, though it could not generate new Digital Assets or transactions using such control. Using alternate blocks, the malicious actor could double-spend its own Digital Assets and prevent the confirmation of other users’ transactions for as long as it maintains control. To the extent that such a malicious actor or botnet does not yield its majority control of the processing power on various Networks or Digital Assets communities do not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible. Such changes could adversely affect a Client’s investment.

Digital Asset Miners May Cease to Solve Blocks. If the reward of new Digital Assets for solving blocks declines and transaction fees are not sufficiently high, miners may not have an adequate incentive to continue mining and may cease their mining operations. Miners ceasing operations would reduce the collective processing power on a Network, as applicable, which would adversely affect the confirmation process for transactions (i.e., decreasing the speed at which blocks are added to the blockchain until the next scheduled adjustment in difficulty for block solutions) and make such Network more vulnerable to a malicious actor or botnet obtaining control in excess of fifty percent (50%) of the processing power on such Network. Any reduction in confidence in the confirmation process or processing power of such Network may adversely impact an investment in any Series.

Changes to Underlying Protocol. In general, the underlying software protocols that govern the operation of certain blockchain networks (e.g., the Bitcoin Network) are open source and anyone can use, copy, modify and distribute them. Clients acknowledge and agree (i) that no SMA, Series or Segregated Portfolio makes guarantee of the functionality, security or availability of underlying protocols; (ii) that some underlying protocols are subject to consensus-based proof-of-stake validation methods that may allow, by virtue of their governance systems, changes to the associated blockchain or digital ledger (“Governance Modifiable Blockchains”) and that any transaction made by ACM validated on such Governance Modifiable Blockchains may be

affected accordingly; and (iii) that the underlying protocols are subject to sudden changes in operating rules (aka “forks”), and that such forks may materially affect the value, function and/or even the name of the Digital Asset stored in a Clients’ account. In the event of a fork, ACM may temporarily suspend any SMA, Series or Segregated Portfolio’s operations (with or without notice to Clients), and ACM may, in its sole discretion, decide whether or not to support (or cease supporting) either branch of the forked protocol entirely. No SMA, Series or Segregated Portfolio assumes liability, obligation or responsibility whatsoever in respect to the operation of underlying software protocols, transactions affected by Governance Modifiable Blockchains or an unsupported branch of a forked protocol, and accordingly, each Client acknowledges and assumes the risk of the same.

No FDIC or SIPC Protection. Digital Assets are not subject to Federal Deposit Insurance Corporation (FDIC) or Securities Investor Protection Corporation (SIPC) coverage, and therefore Client Digital Assets are not subject to the protections enjoyed by depositors with FDIC insurance or investors with accounts at SIPC member institutions. While private insurance may be available at times, Client Digital Assets are not insured by ACM or any third-party custodian or the Custodian.

Item 9 - Disciplinary Information

ACM is required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor’s evaluation of ACM or the integrity of its management. ACM has no legal or disciplinary information to disclose.

Item 10 - Other Financial Industry Activities and Affiliations

Neither ACM nor its employees are registered as, or have pending applications to become, a broker-dealer or broker-dealer representative.

Neither ACM nor its employees are registered as, or have pending applications to become, a futures commission merchant, commodity pool operator, commodity trading adviser, or an associated person of the foregoing entities.

ACM does not currently utilize nor select third-party investment advisers. All assets are managed by ACM.

Item 11 - Code of Ethics, Participation or Interest in Client

Transactions and Personal Trading

ACM maintains a Code of Ethics reasonably designed to help ensure we meet our fiduciary obligations to Clients and to detect and prevent violations of securities laws. ACM’s Code of Ethics establishes standards of conduct for all officers and employees consistent with the code of ethics requirements of Rule 204A-1 under the Investment Advisers Act. For purposes of ACM’s Code of Ethics, ACM treats Digital Assets like traditional securities and therefore subjects employees to similar prohibitions and disclosures that would

be required for other assets.

A copy of ACM's Code of Ethics is available to Clients and prospective Clients upon request by emailing ir@abra.com.

ACM or individuals associated with ACM are permitted to buy or sell assets identical to, or different from, those recommended to Clients for their personal accounts. Individuals associated with ACM may also be Clients. Additionally, any related person(s) could have an interest or position in certain Digital Assets which are also recommended to Clients. In such instances, ACM or its related persons, may have a financial incentive to buy or sell such Digital Assets for Clients.

ACM endeavors to make decisions in the best interest of its Clients, and to eliminate, mitigate, and/or disclose material conflicts of interest that arise between ACM and Clients. In order to monitor conflicts of interest, ACM monitors non-discretionary transactions in the personal accounts of its employees and contractors designated as "Access Persons", including investing in Digital Assets. An Access Person must disclose on an initial and annual basis the holdings of all personal investment accounts, as well as all transactions in such accounts on a quarterly basis.

It is the express policy of ACM that no person employed by ACM use material, non-public information obtained during the course of their work in deciding whether to purchase or sell any asset prior to any pending transaction(s) being executed for an advisory account. This policy is intended to prevent employees from benefiting from transactions placed on behalf of advisory accounts.

Item 12 - Brokerage Practices

ACM executes trades on behalf of its Clients through its affiliate, DCSIL, or another Abra affiliate that offers OTC services to the market (referred to collectively with DCSIL, as an "Abra Trading Affiliate") affiliates from time to time, that provides trading or technology services and fulfills orders through its network of third-party liquidity providers.

ACM may instruct Abra Trading Affiliate(s) to make trades on behalf of SMAs for any number of reasons, including in response to Client actions such as deposits or withdrawals. ACM may also make trades in order to rebalance SMAs, to exclude or include certain Digital Assets, to update allocations to Discretionary SMAs or otherwise to further the investment objectives that Clients specify.

ACM permits each Client to transfer Digital Assets in-kind (through a blockchain transaction) to their SMA or to withdraw Digital Assets in-kind (through a blockchain transaction).

Subject to ACM's trading policies, described in this section, Digital Asset orders initiated on any business day generally trade on the same business day, unless executed via algorithms (e.g., buy orders executed in accordance with volume-weighted average price or time-weighted average price algorithms). However, in certain circumstances transactions may be subject to

processing delays. For example, orders initiated on non-business days may not transact until the next business day, and if an Abra Trading Affiliate's partners and liquidity providers elect to suspend trading in or delist a Digital Asset, such trades will generally not transact until sufficient liquidity for those Digital Assets is made available to ACM.

ACM also reserves the right to postpone trades in order to modulate its overall trading volume on a particular business day. Further, account deposits are automatically subject to a processing period that could last up to three (3) business days or longer. Deposit-related transactions will not occur until the next business day after this processing period is complete.

ACM maintains a general approach of placing Digital Asset orders within traditional business hours (Monday to Friday, 9:00am to 5:00pm Eastern Time), and may not place orders on non-business days or after business hours. However, ACM at all times reserves the right to determine in its discretion and without notice, whether to extend business hours, delay trading hours, or otherwise manage trading in Digital Assets for any reason including in response to market events. Such market events include but are not limited to market instability, instances of elevated localized volatility, insufficient or unstable market depth (i.e., illiquid markets), price dislocation, incomplete execution, fast markets, rapidly widening bid-ask spreads, and halted Digital Assets. For the avoidance of doubt, ACM does not extend, delay or manage trading based on any view about whether markets are likely to rise or fall. ACM does not try to time-the-market.

In fulfilling its duties to its Clients, ACM endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that ACM's parent company, Plutus Financial Holdings, Inc. ("Abra HoldCo"), receives economic benefits from DCSIL or Abra Trading Affiliates' commercial activities. ACM regularly evaluates its affiliates' trading spreads to ensure that they are generally in line with the market rates of its major competitors; however, this economic relationship may create a conflict of interest since this relationship may influence ACM's choice of an Abra Trading Affiliate over a competitor. ACM manages this conflict through disclosures, policies and procedures to enable Clients to make informed decisions and through policies and procedures that require it to act in the Client's best interests.

Item 13 - Review of Accounts

As part of all ACM service offerings, ACM's SMAs and Funds are overseen by ACM's investment advisory personnel and ACM's Executive Investment Committee (EIC), and related software and algorithms to support and facilitate portfolio management.

The Discretionary SMAs and Funds are regularly monitored to confirm they are within a range of the allocation of the desired weighting and investment strategy.

SMA Clients will receive monthly reporting identifying total assets under management, cash balances, unrealized gain/loss, pricing data, asset allocations, portfolio balances over time as well as recent transactions. Some Clients may have access to some of this data via the Client Portal.

Investors in the Funds will receive reporting as described in more detail in the Fund Offering Documents.

Discretionary SMA Clients are directed on at least a quarterly basis to update their investment preferences, and impose any reasonable restrictions on the management of their accounts.

Item 14 - Client Referrals and Other Compensation

ACM may offer compensation to current Clients and other strategic partners who recommend ACM and refer new Clients to ACM (each a “Referrer”). Clients are advised of such compensation prior to opening an account. Due to compensation from ACM, Referrers may have an incentive to recommend ACM, which is a conflict of interest. Clients are not charged any fee nor do Clients incur any additional costs for being referred to ACM by a Referrer.

In addition, certain ACM personnel are eligible for variable compensation based on ACM’s growth. This compensation is based on firm-wide targets, individual targets, or both. The marketing and solicitation activities of these individuals are supervised by ACM.

Item 15 - Custody

A. SMAs

For SMAs, ACM holds custody of Digital Assets using technology provided by Fireblocks, Inc. (“Fireblocks”), a New York corporation and technology service provider for Digital Assets through a services agreement between Abra HoldCo and its subsidiaries.

Fireblocks’ wallet technology eliminates a single point of private key compromise by layering a cryptographic protocol called MPC-CMP, secure hardware enclaves, and a governance engine. The private keys are split across multiple parties, including Fireblocks and ACM.

ACM will be deemed to have custody of Clients’ Digital Assets because ACM has the authority to obtain such Digital Assets, for example, by deducting Advisory Fees from a Client's account or otherwise withdrawing Digital Assets from a Client's account. Some Digital Assets held by Clients are not “funds” or “securities” and, therefore, will not necessarily be held in the same manner as “funds and securities.” However, ACM, as a fiduciary, take appropriate steps to safeguard these Digital Asset holdings in a manner that we believe is reasonably designed to protect its Clients against loss or misappropriation of the Digital Assets.

ACM charges SMAs a custody fee of fifty basis points (0.50 bps) at the end of each calendar month, based on the aggregate USD market value of average holdings held in custody with ACM (for the avoidance of doubt, this does not include any assets deployed in an ACM Yield Account or deployed into other non-discretionary investment offerings accessed via the Client Portal.) Digital Assets in the Client’s account shall be valued using daily closing prices listed on coinmarketcap.com, in accordance with ACM’s valuation policy (which are determined by aggregating exchange prices at 23:59:59 UTC each day).

Clients using an SMA for custody will have access to real-time account balances through the Client Portal and will receive regular monthly statements that identify account balances, transactions, profit and loss (including unrealized profits and losses), advisory fees, transaction fees, custody fees and any other fees incurred in each Client's SMA.

B. Funds

For the Funds, ACM shall engage Bitgo (or other third-party custodian) to provide custody for Digital Assets on terms that are described in more detail in the Fund Offering Documents.

In addition, from time to time, ACM holds Client Digital Assets via Fireblocks vaults or on various Digital Asset exchanges, under ACM's management and supervision. Digital Asset exchanges may require us to provide control of the private keys when the exchange is utilized by the Client. As mentioned above, Fireblocks' wallet technology eliminates a single point of private key compromise by layering a cryptographic protocol called MPC-CMP, secure hardware enclaves, and a governance engine. The private keys are split across multiple parties, including Fireblocks and ACM.

ACM complies with Rule 206(4)-2 of the Advisers Act (i.e., the "custody rule") by meeting the conditions of the pooled vehicle annual audit approach. Upon completion of the relevant Fund's annual audit by an independent auditor that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board (PCAOB), we will distribute the Fund(s)' audited financials to Investors within 120 days of the Fund(s)' fiscal year end.

Item 16 - Investment Discretion

ACM has discretionary management authority only over SMAs for Clients that have signed Advisory Agreements permitting certain discretionary services and for the Funds.

For Discretionary SMAs, ACM can direct Abra Trading Affiliates to buy and sell Digital Assets and to invest Digital Assets into various ACM Yield Accounts or other custom strategies on a Client's behalf when ACM determines it is appropriate, including in connection with rebalancing. Each Client makes their own decision whether to invest in an ACM Yield Account. ACM trades or invests in response to Client actions (such as deposits or withdrawals, allocation changes, or elections to exclude certain assets from the Client's account), to rebalance Client's portfolio or to otherwise further Client's investment goals.

For the Funds, ACM has sole discretion in executing the investment strategies outlined in the Fund Offering Documents.

All other Clients will receive Non-Discretionary SMAs. For Non-Discretionary SMAs, ACM shall only perform actions in the Non-Discretionary SMA when instructed by the Client.

Item 17 - Voting Client Securities

While SMAs will not hold securities with voting rights attached, some Digital Assets may feature the ability to participate in governance activities including the ability to vote on topics that directly or indirectly affect return on investment through on-chain governance, ACM's infrastructure does not support this capability and makes no promise of doing so in the future. As such, Clients are currently unable to participate in such governance activities for Digital Assets held in SMAs.

Item 18 - Financial Information

ACM does not require or solicit prepayment of more than one thousand two hundred USD (\$1,200) in advisory fees per Client, six (6) months or more in advance. Therefore, ACM is not required to include a financial statement.

ACM has discretionary authority to manage Client assets. To the best of ACM's knowledge, ACM is not aware of any financial condition that is reasonably likely to impair ACM's ability to meet its contractual commitments to Clients.

ACM has not been the subject of a bankruptcy petition at any time during the past ten (10) years.