

FRAMEWORK VENTURES MANAGEMENT LLC

600 Montgomery Street, 42nd Floor
San Francisco, CA, 94111
<https://framework.ventures>

Part 2A of Form ADV: Firm Brochure

March 29, 2024

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Framework Ventures Management LLC (“Framework Ventures”, “Framework” or the “Firm”)

Framework Ventures is an investment adviser registered with the US Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, registration as an investment adviser does not imply a certain level of skill or training.

The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

If you have any questions about the contents of this Brochure, please contact the Firm at legal@framework.ventures.

Additional information about Framework Ventures is also available on the SEC’s website, www.adviserinfo.sec.gov.

| |
|---------------------------------|
| Item 2. Material Changes |
|---------------------------------|

This Brochure contains no material changes from the prior brochure dated March 31, 2023. However, this Brochure contains routine annual updates to the previously filed brochure, including Items 5, 8 and 11. We encourage all recipients of this Brochure to read it carefully in its entirety.

Item 3. Table of Contents

| | |
|--|----|
| Item 1. Cover Page..... | 1 |
| Item 2. Material Changes | 2 |
| Item 3. 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..... | 8 |
| Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss | 8 |
| Item 9. Disciplinary Information..... | 34 |
| Item 10. Other Financial Industry Activities and Affiliations | 34 |
| Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading ... | 35 |
| Item 12. Brokerage Practices | 38 |
| Item 13. Review of Accounts..... | 39 |
| Item 14. Client Referrals and Other Compensation | 40 |
| Item 15. Custody | 40 |
| Item 16. Investment Discretion | 40 |
| Item 17. Voting Client Securities..... | 40 |
| Item 18. Financial Information | 41 |

Item 4. Advisory Business

Framework provides investment management services to pooled investment vehicles (each a “Fund” and collectively, the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). Framework Ventures is a Delaware limited liability company that registered as an investment adviser in May 2021. Framework is principally owned by Michael Anderson and Vance Spencer (the “Managing Members”).

The Managing Members are also owners of Framework Labs, Inc. (“Framework Labs”), a Delaware corporation and an affiliate of Framework and the general partners of the Funds (each a “General Partner”). As of the date of this Brochure, Framework personnel are employed by Framework Labs. As further described herein, in certain circumstances, the Firm has delegated, and may delegate in the future, certain assets of the Funds to Framework Labs in connection with the provision of staking services.

The Firm provides discretionary investment advisory services to the Funds in accordance with the limited partnership agreement (or equivalent document) of each Fund, investment management agreement with each Fund, and each Fund’s offering documents (together, the “Organizational Documents”).

Investment advice is provided directly to the Funds, subject to the discretion and control of the applicable General Partner), and not individually to the investors in a Fund. Services are provided to a Fund in accordance with the Organizational Documents of such Fund. Investment restrictions for a Fund, if any, are also generally established in the Organizational Documents.

In managing the Funds, the Firm directs the funds to invests in digital currencies, cryptocurrencies, decentralized application tokens and protocol tokens, nonfungible tokens, smart contracts, blockchain-based assets, cryptoassets and other cryptofinance and network-based digital assets that currently exist, or may exist in the future (collectively, “Digital Assets”). The Firm also makes long-term venture capital and private equity type investments, with a focus on projects and entities in the blockchain and, Web3 and Digital Asset industries. As mentioned above, the Firm may attempt to create value for the Funds by delegating, or directing the General Partner to delegate, certain Digital Assets to be staked by third-parties or Framework Labs, an affiliate of the Firm.

Certain Funds are only available to investors who meet the definition of “qualified purchaser” provided in the 1940 Act. Other Funds are available to investors who meet the definitions of “accredited investor” and “qualified client”, as such terms are defined in the Securities Act and Investment Advisers Act of 1940, as amended (the “Advisers Act”), respectively, or who meet other investor eligibility criteria that may be applicable. The Organizational Documents for each Fund indicate the applicable eligibility criteria for investment in such Fund.

The General Partner of a Fund may be offered an investment opportunity that it determines is too large for the Fund or would be beneficial in (i) consummating the Fund's investment, (ii) successfully operating the Fund's portfolios or assets, (iii) exiting an investment, or (iv) otherwise adding value to the Fund's investment because of certain skills or attributes of a co-investor. In such instances, the General Partner and/or the Firm may, in their sole and absolute discretion, offer such investment opportunities as co-investment opportunities to any person, including, without limitation, to affiliates of the General Partner, the Firm, the Fund, third parties, an/or one or more limited partners (collectively "Co-Investors" and each such investment, a "Co-Investment"). The Firm, or its affiliates, as applicable, may earn certain fees with respect to such Co-Investments. The allocation and determination of any such Co-Investment opportunities will be determined by the General Partner in its sole discretion.

The Firm's investment advisory services are provided to the Funds pursuant to the terms of the Funds' relevant Organizational Documents and based on the specific investment objectives and strategies disclosed in such Organizational Documents which are further described below under "Method of Analysis, Investment Strategies and Risk of Loss." The Funds or Framework have and may continue to enter into side letters or other similar agreements ("Side Letters") with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, a Fund's limited partnership agreement with respect to such investors, in accordance with applicable law. Framework reserves the right to negotiate or not negotiate a side letter with any existing or prospective limited partner.

Framework does not currently provide investment advice to separately managed accounts. Framework does not participate in wrap fee programs.

As of December 31, 2023, Framework managed approximately \$1,032,553,631 in regulatory assets under management on a discretionary basis. The Firm does not manage assets on a non-discretionary basis.

Item 5. Fees and Compensation

Management Fees

The Firm does not charge any management fees to any current Funds.

Performance-Based Fees

Framework charges performance-based fees as set forth in the Organizational Documents of each Fund. Such performance-based fees generally range from 20% to 30%. Performance fees have been and may be reduced or waived in their entirety for certain investors at Framework's or the applicable General Partner's discretion. The performance fees are assessed as of the date of any distribution to or redemption by an investor based on the investor's share of the Fund's net asset value as of that date in excess of the investor's capital contribution and net of the investor's share of Fund expenses. The Funds' performance-based fees are subject to a high-water mark provision

set forth in the offering documents; in other words, Framework or the other applicable General Partner receives a performance-based fee from an investor only if the net income earned in an investor's account exceeds any net losses the account may have incurred since the last time a performance-based fee was charged. If the investor has never been charged a performance fee, then the value of the investor's account when it was established will be used for the purposes of calculating the high-water mark. A more detailed description of the fees paid by an investor in a Fund is included in the Organizational Documents applicable to such Fund, and this summary is qualified in its entirety by the descriptions set forth in such documents. The General Partner generally intends to make distributions in cash, but distributions also may be made in-kind (in the form of Digital Asset or securities portfolios of the Partnership), or a combination thereof.

For Co-Investments, the Firm and/or its affiliates may earn certain fees.

Other Fees Received by Certain Affiliates

To the extent a Fund's Digital Assets are delegated to Framework Labs for staking purposes, a percentage of the proceeds, if any, derived from such staking services, are generally retained by Framework Labs, which percentage is or shall be set forth in staking services agreements entered into by and between the applicable Fund(s) and Framework Labs. Fees and proceeds that Framework Labs generates for staking or other services to the Funds will not offset or reduce the performance fees paid by the Funds. Please see the applicable Fund's Organizational Documents for more information regarding staking agreements.

Expenses

Framework deducts its fees and any expenses from the Funds' accounts by instructing the Funds' administrator(s). Fees and compensation from the Funds are collected at the frequency outlined in the applicable Fund's Organizational Documents.

Below is a high-level, general description of the Funds' expenses and other fees. Investors should refer to a Fund's relevant Organizational Documents for a more detailed description of the expenses and fees payable by the Fund. The information herein is qualified in its entirety by such documents.

Organizational Expenses

Unless otherwise provided in a Fund's Organizational Documents, all organizational costs and expenses related to the offer and sale of interests in a Fund will be paid by such Fund, up to the dollar threshold set forth in the Fund's Organizational Documents. Organizational expenses in excess of any such dollar threshold are borne by Framework.

Expenses of the Funds

The Funds will generally be responsible for the following costs and expenses: (i) all general investment expenses (including but not limited to exchange commissions and expenses, data processing costs and expenses, research expenses, research and market data expenses, bank service fees, interest expenses, borrowing charges, custodial expenses, legal fees associated with or incurred in connection with exploring and consummating investments and other investment expenses); (ii) all administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance and consulting costs and expenses; (iii) all fees, costs and expenses related to middle office operations which may include daily reconciliation of cash, cost, positions and valuations, dividends and interest accruals; (iv) fees, costs and expenses of third-party service providers that provide such services; (v) fees, costs and expenses for services provided by Framework Labs and other third-parties for staking and other services; (vi) costs and expenses associated with preparing investor communications, printing and mailing costs; (vii) insurance costs and expenses; (viii) taxes and other governmental charges payable by the Funds; (ix) governmental licensing, filing and exemption fees; (x) indemnification obligations; (xi) all expenses (including reasonable attorneys' fees) incurred in connection with any threatened, pending, or anticipated litigation, IRS or SEC examination or audit, or similar audit or examination by any state or local taxing or regulatory authority, or other legal proceeding; (xii) expenses of the Fund's Advisory Committee (as defined in the Fund's Offering Documents); (xiii) any extraordinary expenses; and (xiv) any costs and expenses related to proposed but not consummated transactions ("Broken Deal Expenses"). For the avoidance of doubt, no Fund shall be responsible for any compensation paid to placement agents. Typically, the Fund pays expenses when they are incurred.

Brokerage, custody, and execution costs are specifically discussed in **Item 12** below.

Framework expenses are generally borne by Framework Labs, including general overhead expenses and employee compensation. However, Framework Labs is not legally obligated to pay these expenses and may cease to do so in the future. When applicable, Framework allocates expenses between Funds and/or Framework on a basis that it considers equitable and in accordance with each Fund's Organizational Documents and Framework's Expense Allocation Policy.

As discussed above, all performance fees are calculated and billed as of the date of any distribution to or redemption by an investor. As such, the Firm does not have a refund policy, though certain performance fees may be subject to clawback provisions set forth in the applicable Fund's Organizational Documents.

Neither Framework, nor any of its supervised persons, are compensated for the sale of securities or other investment products or mutual funds. Additionally, Framework does not charge advisory fees or commissions or markup fees for the purchase and sale of securities for the Funds' portfolios.

| |
|---|
| Item 6. Performance-Based Fees and Side-By-Side Management |
|---|

Framework currently only manages Funds that are charged a performance-based fee. Such performance-based fees may be and have been reduced or waived in their entirety for certain

investors, in Framework’s discretion. This performance fee-based compensation structure creates a potential conflict of interest because it may incentivize Framework to favor Funds for which it receives higher performance-based fees. Framework might also be inclined to make riskier investments against investors’ interest to earn performance-based fees. Additionally, certain Framework professionals have an investment or a financial interest in a Fund. To address this conflict, Framework only makes investment recommendations and decisions based on the best interest of the Funds in accordance with the Funds’ Organizational Documents, regardless of compensation arrangements. Please see **Item 8** for a description of certain material risks.

Item 7. Types of Clients

Framework provides investment advice to pooled investment vehicles. The Funds’ interests are generally offered only to a limited number of individual and institutional investors that qualify as: (i) “accredited investors”, as defined in Rule 501 under Regulation D promulgated under the Securities Act, (ii) “knowledgeable employees”, or “qualified purchasers”, in each case as defined in the 1940 Act and the rules promulgated thereunder; *and/or* (iii) “qualified clients” as defined in the Advisers Act (or who meet other investor eligibility criteria that may be applicable). In general, the investors in the Funds include endowments and foundations, fund of funds, family offices, high net worth individuals, and investment institutions. The criteria for investment in each Fund are set forth in such Fund’s offering documents.

The Organizational Documents of each Fund generally provide for a minimum investment commitment (typically ranging from \$100,000 to \$1,000,000), although minimum investment commitments have in the past and will in the future be subject to waiver at the discretion of the Firm or the applicable General Partner.

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

The Funds are highly speculative investments and are not intended as complete investment programs. The Funds are designed only for sophisticated persons who can bear the economic risk of the loss of their investment in the Funds and who have a limited need for liquidity in their investments. There can be no assurance that the Funds will achieve their investment objectives or that substantial losses will not be incurred. Each prospective investor in the Funds should carefully review the applicable Fund’s offering documents and the agreements referred to therein prior to deciding to invest in any Fund.

Methods of Analysis & Investment Strategies

The Firm primarily invests in Digital Assets and long-term venture capital and private equity type investments, with a focus on projects and entities in the blockchain, Web3 and Digital Asset industries in accordance with each Funds’ Organizational Documents. The Funds may also pursue opportunities in more illiquid investments and acquire certain assets that Framework believes in good faith either lack a readily assessable market value or should be held until the resolution of a

special event or circumstance.

Framework or a General Partner may cause certain of the Funds' Digital Asset holdings to be "staked" through engagements with third party service providers as well as affiliated service provider Framework Labs. Only certain Digital Assets acquired by the Funds can be staked. Generally, staking involves technical capabilities and experience in blockchain networks which the Firm believes traditional capital providers may lack. The Firm believes that staking is a critical component for the security and success of emerging Proof-of-Stake ("PoS") blockchain networks. In PoS blockchain networks, staking is the process used to uphold the security and veracity of the blockchain. In PoS networks, Digital Asset holders are economically incentivized, via rewards generally paid in Digital Assets, to validate transactions and create new blocks on the applicable chain. To be selected to validate a transaction, and thereby earn staking rewards, validators must pledge their Digital Assets as collateral to demonstrate a financial interest in ensuring the success and security of the network. Collateral may be slashed, reduced, or surrendered if a staker does not perform its required functions.

Additionally, decentralized protocols may utilize staking to incentivize certain coordination among various network stakeholders, as well as to punish malicious or undesired behavior by slashing staked Digital Assets. By engaging third party service providers or affiliate Framework Labs to stake Fund Digital Assets, the Firm believes it can achieve superior risk-adjusted returns relative to simply investing in Digital Assets.

In addition to staking, Framework Labs may also provide other mission-critical infrastructure and network services. Some of these services (which may be provided under or outside of a staking agreement) include, node hosting, oracles, governance voting, non-capex transaction validation, and potentially more as applicable ecosystems develop. The Firm may engage a service provider, including Framework Labs, to assist in the management of such technical services.

Material Risks

The information in this Brochure is intended to be a summary of some of the most important risks to consider when making an investment in a Fund. For a more thorough description of risk factors applicable to the Fund, investors are urged to review the Funds' Organizational Documents.

No Market for Limited Partnership Interests; Restrictions on Transfers. Interests in the Funds have not been registered under the Securities Act, the securities laws of any U.S. state or the securities laws of any other jurisdiction, and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and other applicable securities laws or an exemption from registration is available. It is not contemplated that registration of the Fund interests under the Securities Act or other securities laws will ever be effected. Fund interests may only be offered, sold or transferred to individuals or entities who or which are qualified investors

under applicable securities laws and under the investor requirements, as stated in such Fund's Organizational Documents. Furthermore, there is no public market for the Fund interests and one is not expected to develop. Accordingly, it may be difficult to obtain reliable information about the value of the Fund interests. Each Fund limited partner (including any transferee of Fund interests) is required to represent that it is a qualified investor under applicable securities laws and that it is acquiring its interests for investment purposes and not with a view to resale or distribution and that such limited partner will only sell and transfer its Fund interests to a qualified investor under applicable securities laws and in a manner permitted by the applicable Fund's Organizational Documents and applicable laws. Except in limited circumstances authorized in a Fund's Organizational Documents or negotiated with a particular investor, a Fund limited partner will not be permitted to assign, sell, exchange, transfer (including any mortgage, hypothecation or pledge), securitize or otherwise dispose of any of its rights or obligations with respect to its Fund interests, except by operation of law, without the prior written consent of the applicable General Partner, which consent may be withheld in the sole discretion of such General Partner. Moreover, there may be no established secondary market for the Fund interests. Except in extremely limited circumstances, withdrawals from the Funds or investor redemptions of investments will not be permitted. Each limited partner must be prepared to bear the risks of owning interests for an extended period of time.

Certain Risks with Respect to Performance-Based Fees. Framework provides investment advice. Framework and/or a General Partner may, in certain circumstances, receive a performance fee in connection with the provision of such services. Additionally, Framework professionals may be entitled to receive carried interest or other incentive fees. These compensation arrangements create an incentive for Framework to direct the Funds to make investments that are riskier or more speculative than would be the case absent such compensation arrangements.

Digital Assets. Digital Assets are not currently subject to uniform regulatory oversight and there is no central marketplace for currency exchange. In many cases, a Digital Asset's supply is determined by a computer code, not by a central bank or similar authority, and prices have been and will likely continue to be extremely volatile. Digital Asset exchanges have been adversely impacted due to fraud, failure or security breaches. Any of the Funds' assets that reside on an exchange that is temporarily or permanently suspended or impaired may be at risk of partial or total loss.

An investment in Digital Assets involves a high degree of business and financial risk that can result in substantial losses. The Fund's investments in Digital Assets may have short operating histories on which to judge future performance and, if operating, may have negative cash flow. These investments are subject to unique risks, in addition to risks generally applicable to Fund investments. For example, trading prices for crypto currencies and other digital assets have historically been highly volatile and are expected to continue to be highly volatile. Digital Assets have not been in existence long enough to assess the volatility of market cycles with any precision.

Several factors are likely to affect the price of Digital Assets, including, but not limited to: supply and demand, investors' expectations with respect to the rate of inflation, interest rates, market adoption and applicable network development, currency exchange rates or regulatory measures that restrict the issuance and/or trading of Digital Assets or the use of Digital Assets as a form of payment or for other means or utilities, and cybersecurity threats or incidents. There is no assurance that Digital Assets will maintain any long-term value in the future, or that acceptance of Digital Asset payments by mainstream retail merchants and commercial businesses will grow.

Most Digital Assets are created, issued, transmitted, and stored according to protocols run by computers in the applicable Digital Asset network. It is possible these protocols, and/or the applications leveraging such protocols, have undiscovered flaws which could result in the loss of some or all assets held by a Fund. There have been network scale attacks against these protocols, and future attacks could result in the loss of some or all of assets held by a Fund. Some assets held by the Fund may be created, issued, or transmitted using experimental cryptography which could have underlying flaws. Advancements in quantum computing could create computers sufficiently powerful to break the cryptographic rules of protocols which support the assets held by the Funds, which would likely substantially reduce the value of such assets. The Firm makes no guarantees about the reliability of the cryptography used to create, issue, or transmit assets held by the Funds.

Digital Asset Exchanges. The Digital Asset exchanges on which Digital Asset trade are relatively new and are not yet subject to established regulatory oversight. There is also a limited number of Digital Asset exchanges, which elevates the risks associated with Digital Asset exchanges. Such exchanges therefore are more exposed to theft, fraud, misappropriation, and failure than established, regulated exchanges for other products. Recently, there has been additional scrutiny regarding the financial and operational soundness of Digital Asset exchanges. Many Digital Asset exchanges are currently start-up businesses with no or limited institutional backing, limited operating history and no publicly available financial information. Digital Asset exchanges generally require cash to be deposited in advance in order to purchase Digital Assets, and no assurance can be given that those deposited funds can be recovered. Additionally, upon the sale of Digital Assets, cash proceeds may not be received from the exchange for several business days. The participation in exchanges requires users to take on credit risk by transferring Digital Assets from a personal account to a third-party's account. The Funds will take credit risk of an exchange in many of their transactions.

Digital Asset exchanges may impose daily, weekly, monthly or customer-specific transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of Digital Assets for fiat currency difficult or impossible. Additionally, Digital Asset prices and valuations on Digital Asset exchanges have been volatile and subject to influence by many factors, including the levels of liquidity on exchanges and operational interruptions and disruptions. The prices and valuations of Digital Assets remain subject to any volatility experienced by Digital Asset exchanges, and any such volatility can adversely affect an investment in a Fund.

Digital Asset exchanges are appealing targets for cybercrime, hackers and malware. It is possible that while engaging in transactions with various Digital Asset exchanges located throughout the world, any such exchange may cease operations due to theft, fraud, security breach, liquidity issues, or government investigation or action. This loss or theft may occur with respect to Digital Assets held by a Fund or an underlying fund directly, or with respect to Digital Assets held by a third-party custodian. Because of the decentralized process for transferring Digital Assets, thefts can be difficult or impossible to trace, which may make Digital Assets a particularly attractive target for theft. Even if a theft is traced, it may be difficult or impossible to secure the return of those assets or to otherwise exercise any legal remedies with respect to the lost or stolen assets. Further, a custodian may not have adequate assets or insurance to cover the theft of its client's Digital Assets. The Adviser's Funds do not intend to insure Digital Assets. In addition, banks may refuse to process wire transfers to or from exchanges.

Any financial, security or operational difficulties experienced by such exchanges may result in an inability of the Funds to recover money or Digital Assets being held by the exchange, or to pay investors upon withdrawal. Further, the Funds may be unable to recover Digital Assets awaiting transmission into or out of such Funds, all of which could adversely affect an investment in a Fund. Additionally, to the extent that the Digital Asset exchanges representing a substantial portion of the volume in Digital Asset trading are involved in fraud or experience security failures or other operational issues, such Digital Asset exchanges' failures may result in loss or less favorable prices of Digital Assets, or may adversely affect the Funds, their operations and investments, or the investors therein.

Stablecoin Specific Risks. Stablecoins are distinct from other Digital Assets in that their value is intended to be pegged to fiat currency like USD (e.g., 1 stablecoin is intended to represent \$1 USD) and backed by an underlying asset, such as fiat currency like USD, commodities, or other Digital Assets. Stablecoins are subject to the same risks as other Digital Assets described in these risk factors, 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. Stablecoins come in various forms, each with their own unique set of risks.

- 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. For example, USDT issued by Tether is subject to controversy due to the lack of transparency and claims that Tether does not hold sufficient USD reserves to back all of the issued USDT tokens, which resulted in a significant drop in value of USDT October 2018. Further, fiat-based stablecoins are subject to greater oversight and regulation, and will be further dependent on the banking industry and other geopolitical factors, all of which could affect the value of such stablecoins.
- Algorithmic stablecoins rely on another Digital Asset to support the aforementioned stablecoin with an algorithm or smart contract governing the relationship between the two assets. Such

stablecoins utilize the smart contract to maintain their peg, typically to USD. Destabilization of the Digital Asset on which an algorithmic stablecoin relies can lead to a complete collapse in the value of the stablecoin. For example, in May of 2022, TerraUSD (or UST, for short), an algorithmic stablecoin created and administered by Terraform Labs, collapsed after attacker(s) flooded the Digital Asset market with UST putting downward pressure on the price of UST and investors, sensing negative sentiment, further withdrew UST compounding the loss of UST's peg to USD.

- Digital Asset backed stablecoins rely on various forms of collateralized Digital Assets, to allow for such stablecoin to maintain their value. Digital currency backed stablecoins are inherently more volatile than stablecoins backed by fiat or commodities given the volatility of the underlying Digital Assets. Even though overcollateralization (sometimes to the extent of 170% or greater) of the Digital Assets is generally required, there is no guarantee such collateral will be sufficient for a stablecoin to maintain its value. The collateral backing Digital Asset based stablecoins is held in smart contracts and the underlying Digital Asset can be immediately liquidated if the value of such Digital Asset falls below a certain threshold. For example, DAI, a stablecoin launched on the Ethereum blockchain was overcollateralized at a ratio of 141% as of August 2022 via its “vault” smart contract. The greater the value of the collateral, the more such Digital Assets would need to fall in value before such stablecoins lose their peg. If the underlying digital currency loses too much value, the system may become under-collateralized and there is potential the stablecoin will quickly lose its peg and all value. In addition, there is a risk that the underlying Digital Asset held as collateral is not adopted or no longer accepted on other platforms, implicitly lowering the value of such collateral and increasing the risk such Digital Asset backed stablecoin loses its value.

Stablecoins are likely to be subject to greater regulatory oversight in the United States and other jurisdictions. Further, fiat-based stablecoins may be subject to greater oversight and regulation, and will be further dependent on the banking industry and other geopolitical factors, all of which could affect the value of such stablecoins. The current regulatory status of stablecoins as “securities” or regulated derivatives products is unclear. There is risk that these products will be recharacterized by the CFTC as regulated derivative instruments or the SEC as securities. Any such characterization could result in stablecoins de-pegging from the value of their underlying assets, due to market sentiment for other reasons, which could have a negative impact on the Funds and investments therein.

Future Regulatory Change is Likely but Impossible to Predict. The securities and derivatives markets are subject to comprehensive statutes, regulations and margin requirements. In addition, the SEC, the CFTC, and the self-regulatory organizations that oversee securities and commodities exchanges are authorized to take extraordinary actions in the event of adverse market conditions or developments, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of securities and derivatives both inside and outside the United States is a rapidly changing area of law, particularly as it relates to Digital Assets, and is subject to modification by government and judicial action.

The Funds will invest in Digital Assets, some of which are currently either not directly regulated, or are in the early stages of regulation by U.S. federal and state governments, or self-regulatory organizations. Current, pending and future legislation, CFTC and SEC rulemaking, other regulatory developments and enforcement actions, and litigation, may impact the manner in which Digital Assets are treated for classification and clearing purposes. In particular, various Digital Assets may not be excluded from the definition of a “commodity future” or “security” by CFTC and SEC rules and rulemaking, respectively. As Digital Assets have grown in popularity, certain U.S. agencies, such as FinCEN, the SEC, and the CFTC, are examining Digital Assets and the operations of Digital Assets in depth. The SEC has stated that certain, or most, Digital Assets are or may be securities, depending on the specific facts and circumstances of the Digital Asset in question, including, without limitation, the circumstances of such Digital Asset’s offer, sale and distribution. The CFTC has declared that some Digital Assets are commodities, but currently, only certain kinds of Digital Assets may be subject to CFTC jurisdiction.

To the extent that certain Digital Assets are definitively deemed to fall within the definition of a security pursuant to subsequent rulemaking by the SEC, federal legislation, or judicial action, or to the extent the SEC or its staff expresses such a view in interpretive guidance, enforcement actions or other formal communication, the Funds, their portfolio companies, the General Partners, and/or Framework may be required to register and/or comply with additional regulation under the Advisers Act, Securities Act or Securities and Exchange Act or similar state investment advisory and/or securities statutes. Additionally, to the extent that certain Digital Assets are deemed to fall within the definition of a commodity interest or further within the scope of CFTC jurisdiction pursuant to subsequent rulemaking by the CFTC, federal legislation or judicial action, the Funds, the General Partners, and/or Framework may be required to register and comply with additional regulation under the U.S. Commodity Exchange Act, as amended (“CEA”). Moreover, the Funds, the General Partners, and/or Framework may be subject to further requirements with the CFTC through the National Futures Association. Such additional registrations or disclosures may result in extraordinary, non-recurring expenses, and ongoing compliance-related expenses, of the applicable Fund. If the General Partners and/or Framework determine not to comply with such additional regulatory and registration requirements, the applicable Fund may terminate and liquidate at a time that may be disadvantageous to Limited Partners.

Digital Assets currently face an uncertain regulatory landscape in not only the United States but also in many foreign jurisdictions such as the European Union, China and Russia. Various foreign jurisdictions have or may, in the near future, adopt laws, regulations or directives that affect Digital Asset networks and their users, particularly Digital Asset exchanges and service providers that fall within such jurisdictions’ regulatory scope. Some countries have imposed, or are considering imposing, bans on certain types of Digital Assets. Such laws, regulations or directives may conflict with those of the United States and may negatively impact the acceptance of Digital Assets by users, merchants and service providers outside of the United States and may therefore impede the growth of the Digital Asset economy.

While the SEC has brought enforcement actions and provided non-binding guidance suggesting that certain Digital Assets may be securities – and that parties facilitating the exchange of such digital securities may be unregistered national securities exchanges – the SEC has not, in binding or official guidance, expressed the view that all Digital Assets should be classified or treated as securities for purposes of U.S. federal securities laws (such Digital Assets that are securities are referred to herein as “digital securities”). The SEC has commented on certain Digital Assets and Digital Asset-related market developments and has taken action, successfully, against certain investment schemes involving Digital Assets. Security status of a particular Digital Asset has broad reaching implications. While a Digital Asset may be designed intentionally to be a security and Digital Asset network technology may potentially be deployed to create new efficiencies in securities markets globally, federal and state securities laws make it difficult for a digital security to operate either within the traditional financial system or within the crypto ecosystem. For example, the SEC has not provided final guidance with respect to how broker dealers may comply with certain custody and control rules, nor does FINRA generally permit broker dealers to deal in more than one category among (i) traditional securities, (ii) digital securities or (iii) non-security Digital Assets. Furthermore, trading platforms are not currently reasonably able to register as alternative trading systems or national securities exchanges in a manner that would allow them to provide U.S. markets with access to digital securities. As a result, a Digital Asset that is deemed to be a digital security is generally incapable of accessing U.S. markets and typically sees global restrictions when regarded as a security under U.S. federal securities laws. A determination by the SEC or a court of competent jurisdiction that a Digital Asset is a security– particularly a portfolio position of a Fund or a major, large cap Digital Asset, such as Bitcoin or Ether, whether or not held by a Fund – could have a negative impact on an investment in a Fund. Similarly, broad actions against intermediaries in the Digital Asset ecosystem in the U.S. or globally for securities law violations could have a negative impact on an investment in a Fund.

The SEC has also indicated that regulatory supervision may be appropriate in certain instances for Digital Asset trading platforms. For example, in the SEC’s recent review of proposed rule changes to list and trade shares of certain Bitcoin related investment vehicles on public markets, the SEC has stated that the Digital Asset markets are not properly regulated.

The SEC has also brought several enforcement actions against fraudulent and/or unregistered initial coin offerings (“ICOs”), certain actions against investment pool managers investing in Digital Assets, and against exchanges and other participants in the Digital Asset markets that have operated in violation of U.S. federal securities laws. Those enforcement actions have made it clear that many coin or token offerings will be securities in the view of the SEC. The SEC has also used its authority to investigate Digital Asset trading platforms, which have led to halts in trading activity and reductions in the value of some Digital Assets. The SEC also conducts regulatory examinations of investment advisers that invest client assets in Digital Assets.

Framework continues to be subject to regulatory and compliance requirements, including examinations, under U.S. federal securities laws and, with respect to Framework, the Advisers Act.

The CFTC treats Bitcoin and certain other Digital Assets as “commodities” under the CEA, thereby asserting jurisdiction over futures, swaps, and other CFTC-regulated derivatives that reference certain Digital Assets. The CFTC has not, to date, expressly taken the view that any Digital Asset is a “commodity interest,” which is defined under the CEA to include futures, swaps, and other derivatives based on commodities. Commodity interests are subject to CFTC regulation and thus, if Digital Assets comprising a material portion of a Fund’s assets were to be deemed to be commodity interests by the CFTC, such Fund and Framework would be subject to additional regulatory and compliance requirements under the CEA and CFTC regulations. To the extent a Fund does acquire commodity interests, such Fund and Framework anticipate being able to rely on certain exemptions available to pooled investment vehicles and their sponsors and advisers to avoid registration with the National Futures Association.

The CFTC has also brought several enforcement actions relating to spot market fraud and the offering of commodity interests (including margin trading accounts) by Digital Asset trading platforms and has indicated that it will continue to do so. The CFTC’s regulatory interpretation of the CEA and CFTC regulations, as applied to Digital Assets and Digital Asset market participants, continues to evolve.

The effect of any future domestic or foreign regulatory, judicial or legislative changes on the Funds is impossible to predict, but such effects could be substantial and adverse.

Lack of Insurance/No FDIC or SIPC Protection. Digital currencies and other Digital Assets held by the Funds are not subject to Federal Deposit Insurance Corporation (“FDIC”) or Securities Investor Protection Corporation (“SIPC”) protections. The Funds are not banking institutions or otherwise members of the FDIC or SIPC and, therefore, deposits held with or assets held by the Funds are not subject to the protections enjoyed by depositors with FDIC or SIPC member institutions. The undivided interest in the Funds’ Digital Assets represented by interests in the Funds are not insured.

Legality of Digital Assets. It may be illegal, now or in the future, to own, hold, sell or use Digital Assets in one or more countries, including the United States. One or more countries may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use Digital Assets or to exchange Digital Assets for fiat currency. Such an action may restrict the Funds’ ability to hold or trade Digital Assets, and could result in termination and liquidation of the Funds at a time that is disadvantageous to investors, or may adversely affect an investment in the Funds.

Asset Valuation. The Firm has substantial discretion in determining the value of the Funds’ assets and liabilities, whether or not a public market exists for assets of the same class or type. For many

of the Funds' assets, there is limited guidance and available information to serve as reference points for determining valuation. While some marketable assets are valued based on prices reported in the public markets, other investments are more thinly-traded or subject to irregular trading activity. Determinations of the value of certain investments, and how to value assets and liabilities as to which limited prices or quotations are available, are based on the Firm's recommendations or instructions to the Funds' administrator(s) and may involve uncertainties and subjective judgments. The Firm faces a potential conflict of interest in making any of these valuation decisions or recommendations. If the Firm's valuation of any such investments is inaccurate, the Firm might receive a performance fee that is greater than that to which it would otherwise be entitled upon liquidation of the Funds; in such instances the excess performance fees may be clawed back pursuant to the Fund's Organizational Documents, but the Firm does not have a refund policy. The Firm may not be able to effectively manage the Funds' investment portfolios, diversification and other internal guidelines and risks if the Funds' portfolios are inaccurately valued. Any such inaccuracy could affect investors adversely. Additionally, any reduction in the value of any assets or increase in the value of any liabilities held by the Funds would reduce the amount of performance fees to which the Firm is entitled upon a Fund liquidation. Actual realized returns on all unrealized investments will depend among other things on the value of the assets at the time of disposition, any related transaction costs and the manner of sale. Accordingly, the actual realized return on all unrealized investments may differ materially from the values presented to the limited partners.

Service Providers and Deal Sourcers. Services required by Framework of a Fund (including some services historically provided by Framework to its investment funds) may for certain reasons, including efficiency considerations, be outsourced in whole or in part to third parties in the discretion of Framework or the applicable General Partner in connection with the operation of the Funds, and the applicable General Partner will have an incentive to outsource such services at the expense of the Funds in order to leverage the use of Framework's employees. Such outsourced services may include, without limitation, deal sourcing, asset management, information technology, licensed software, data processing, trading, settlement, client relations, administration, custodial, accounting, legal and tax support and other services. The decision by Framework to initially perform particular services in house for the Funds will not preclude a later decision to outsource such services, or any additional services, in whole or in part to third parties. The costs, fees, or expenses of any such third-party service providers will be treated as partnership expenses of such Fund borne by the Fund. Framework will determine (in its discretion based on relevant experience, its belief regarding market practice and such other factors as it determines relevant under the circumstances) the fees, carried interest and other consideration payable to deal "sourcers" (who may be exclusive to Framework), asset managers and other service providers.

Moreover, certain advisors and other service providers, or their affiliates, (including, without limitation, accountants, administrators, lenders, bankers, brokers or other deal "sourcers," attorneys, consultants, custodians, investment or commercial banking firms and certain other

advisors and agents) to the Fund, Framework or their portfolio companies, may also provide goods or services to or have business, personal, political, financial or other relationships with Framework, its affiliates, its employees, and portfolio companies. Certain employees of Framework may have ownership interests in certain service providers to the Funds and/or other Framework entities. Such advisors and service providers may be (i) investors in the Fund, or other Framework entities, (ii) affiliates of Framework and/or the applicable General Partner, (iii) sources of investment opportunities, (iv) co-investors or counterparties or (v) entities in which Framework and/or its managed funds has an investment, and payments by the Funds and/or such portfolio companies may indirectly benefit Framework and/or such other Framework entities. These relationships and the potential of leveraging the capabilities of its personnel through the use of service providers (such as, for example, deal “sourcers” and operating or development partners who, in each case may be exclusive to Framework) may influence the applicable General Partner in deciding whether to select such a provider to perform services for a Fund or a portfolio company (the cost of which will generally be borne directly or indirectly by a Fund or such portfolio company, as applicable).

In certain circumstances, advisors and service providers, or their affiliates, may charge different rates or have different arrangements depending on the complexity of the matter as well as the expertise required and demands place on the service provider. As a result, services provided to the applicable General Partner, Framework or their affiliates as compared to services provided to a Fund and its portfolio companies, may result in more favorable rates or arrangements than those payable by a Fund or such portfolio companies. Moreover, the Fund or Framework may not be in a position to verify the risks or reliability of such third-party service providers. A Fund may suffer adverse consequences from actions, errors or failure to act by such third parties, and will have obligations, including indemnity obligations, and limited recourse against them.

Possibility of Fraud and Other Misconduct of Employees and Service Providers. Misconduct by employees of Framework, service providers to Framework or the Funds, including Framework Labs, and/or their respective affiliates and personnel, could cause significant losses to such Funds. Misconduct may include entering into transactions without authorization, misappropriation of private keys, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Funds, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Funds and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Framework has controls and procedures through which it seeks to minimize the risk of such misconduct occurring. However, no assurances can be given that Framework will be able to identify or prevent such misconduct.

Investment in Digital Asset / Technology Companies. The Funds have made and may continue to make investments in companies involved in the Digital Asset or technology industry in general. Concentration in these industries may involve risks greater than those generally associated with more diversified funds and may experience significant fluctuations in returns. The Digital Asset and technology sectors are challenged by various factors, including rapidly changing market

conditions and participants, new competing products and services and improvements in existing products and services. Some of the Digital Asset and technology companies the Funds invest in may compete in this volatile environment. There is no assurance that products or services created or sold by such companies will not be rendered obsolete or adversely affected by competing products and services, new technology, or other challenges, including, without limitation, regulatory challenges, or that such company or the Funds will be able to adequately enforce intellectual property rights. Instability, fluctuation, or an overall decline within the Digital Asset or technology industries may not be balanced by investments in other industries not so affected. In the event that the Digital Asset or technology sectors decline or that the Funds are unable to adequately enforce intellectual property rights, returns to the Funds may decrease.

Dependence on Key Personnel. The Firm is dependent on the services of its principals and key personnel. The success of the Funds will depend to a great extent on the investment skills of the principals of the Firm. The Funds could be adversely affected if, because of illness, resignation or other factors, the services of the relevant people were not available for any significant period of time. Additionally, key personnel of the Firm may be the individuals in possession of the unique private keys required to access the digital currencies and Digital Assets held by the Funds. The death or incapacitation of such an individual could result in the loss of the private keys and, consequently, the loss of the digital currencies and Digital Assets held by the Funds. In such an event, the Funds could incur substantial, or even total, loss of capital.

Security Breaches. The risk associated with a security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, requires the time, attention and resources of Framework, the Funds and their service providers. A security breach could result in adverse developments for the Funds and investors, including the halting of the Funds' operations, the suspension of redemptions or a loss of Fund assets. While the Firm believes it has developed a strong, multi-faceted security system, it is not impenetrable or free from defect, and any loss due to a security breach or software defect will be borne by the Funds, absent gross negligence, willful misconduct or fraud on the part of the Firm. Moreover, Framework's and the Funds' information and systems are also vulnerable to security breaches originating at one of their third-party service providers; despite Framework's efforts, Framework has less ability to manage vulnerabilities of its (or its Funds') information that originate at a third party service provider, and cannot prevent all such security breaches. In addition, Digital Assets and exchanges for Digital Assets are also vulnerable to security breaches and risks.

Management Risk. Framework manages investors' funds and assets on a discretionary basis, which means the Firm has the authority to buy and sell assets on the Funds' behalf. The Funds must rely upon the managers' abilities, judgment, and investment abilities. There is no guarantee that the portfolio managers' investment techniques will be successful.

Market Risk. The value of the investments held by the Funds is subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these investments. The price of any asset can decline for a variety of reasons outside of Framework's control, including, but not limited to, changes in the macroeconomic environment, predictable or unpredictable market sentiment, forecasted or unforeseen economic developments, interest rates, regulatory changes, and domestic or foreign political, demographic, or social events. Recently, elevated inflation and increases in interest rates to address inflation have impacted the demand and performance of Digital Assets and technology companies in which the Funds invest.

Concentration Risk. Concentrating investments in the Digital Assets sector or in any particular assets within the sector increases the risk of loss because the value of many or all of the assets in the sector may decline in value due to developments adversely affecting the sector as a whole.

Digital Currencies and Digital Assets Trading is Volatile and Speculative. Digital currencies and Digital Assets represent a speculative investment and involve a high degree of risk. As relatively new products and technologies, digital currencies and Digital Assets have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets, or for other intended utilities. Conversely, a significant portion of the demand for digital currencies and Digital Assets is generated by speculators and investors seeking to profit from the short or long-term holding of digital currencies and Digital Assets. The relative lack of acceptance of digital currencies and Digital Assets in the retail and commercial marketplace may limit the ability of end-users to pay for goods and services with digital currencies and Digital Assets. A lack of expansion by digital currencies and Digital Assets into retail and commercial markets, or a contraction of such use, may result in, or contribute to, increased volatility in the marketplace for certain Digital Assets or the entire Digital Asset market place.

Currency Risk. In addition, Fund assets and income may be denominated in various currencies (including cryptocurrencies). Contributions and distributions, however, will be denominated in U.S. dollars. As a result, the return of the Funds on any investment may be adversely affected by fluctuations in currency exchange rates, any future imposed devaluations of currencies (whether local currencies, cryptocurrencies), inflationary pressures and the success of the investment itself. As a general policy, the Funds does not intend to engage in hedging against currency risk. In addition, the Funds may incur costs in connection with conversions between various currencies.

Trading on Digital Asset Networks. The Funds will convert some U.S. dollar contributions made by limited partners to Digital Assets over specific networks, as applicable. The Funds may use certain Digital Assets to purchase other Digital Assets. Many Digital Asset networks are online end-user- to-end-user networks that host a public transaction ledger, known as the blockchain, and the source code that comprises the basis for the cryptographic and algorithmic protocols governing such networks. In many Digital Asset transactions, the recipient of the Digital Asset must provide its public key, which serves as an address for a digital wallet, to the party initiating the transfer. In the data packets distributed from Digital Asset software programs to confirm transaction activity,

each Digital Asset user must “sign” transactions with a data code derived from entering the private key into a “hashing algorithm,” which signature serves as validation that the transaction has been authorized by the owner of such Digital Asset. This process may be vulnerable to hacking and malware, and could lead to theft of the Funds’ digital wallets and the loss of the Funds’ Digital Assets. Certain Digital Asset exchanges have been closed due to fraud, failure or security breaches. In many of these instances, the customers of such Digital Asset exchanges were not compensated or made whole for the partial or complete losses of their account balances in such Digital Asset exchange.

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 the Funds may not 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, the Funds’ Digital Assets could be transferred in incorrect amounts or to unauthorized third parties. To the extent that the Funds are unable to seek a corrective transaction with such third party or are incapable of identifying the third party that has received the Funds’ Digital Assets through error or theft, the Funds will be unable to revert or otherwise recover incorrectly transferred Digital Assets. To the extent that the Funds are unable to seek redress for such error or theft, such loss could adversely affect an investment in the Funds.

Forks and Airdrops. The blockchain code for a Digital Asset or associated network may be split, resulting in two different Digital Assets: one that is unaltered and a second, new Digital Asset whose code is based on but differs from the original Digital Asset’s code (a “Hard Fork”). Further, new Digital Assets may be distributed via “airdrops” to holders of certain existing Digital Assets (an “Airdrop”). New Digital Assets provided via a Hard Fork or Airdrop are often provided involuntarily and without consideration. A Hard Fork or Airdrop may negatively affect the value of the original Digital Asset. Framework and/or the General Partner, in their sole discretion, may elect to claim the new Digital Asset created as a result of a Hard Fork or Airdrop. Further, various exchanges, custodians, wallets, or other storage solutions may not accommodate such Hard Forks or Airdrops or may only accommodate such Hard Forks or Airdrops after a significant period of time. Additionally, Framework and/or the General Partner may not have any systems in place to monitor or participate in Hard Forks or Airdrops. Therefore, a Fund may not receive any new Digital Assets created as a result of a Hard Fork or Airdrop, thus losing any potential value from such Digital Assets.

Mining. The Funds may engage in mining Digital Assets directly or through agreements with third parties. “Mining” generally refers to processes and mechanisms by which Digital Asset transactions are verified and validated and may require, for example, the use of computer processors to solve certain mathematical problems and/or the continuous holding or staking of Digital Assets for a certain amount of time.

To the extent the Funds engage in Digital Asset mining directly, the Funds may create, operate,

and/or maintain the hardware and software used for Digital Asset mining. The use of technology created by the Firm or its affiliates has attendant risks, as described in the “Proprietary Storage and Other Digital Asset Technology” risk factor below. The tax consequences of the Funds’ direct engagement in Digital Asset mining are uncertain, and investors should consult with their tax advisors to determine if an investment in the Funds is appropriate. Various governments, including the governments of certain U.S. States, have imposed moratoriums on certain types of mining activities for Digital Assets. In addition, concerns about the potential environmental impacts of Digital Asset mining activities could result in further scrutiny of, and restrictions on, Digital Assets mining activities.

Proof of Stake Risk. The Funds may invest a significant portion of their Digital Assets through protocols that verify transactions through Proof of Stake (“PoS”) consensus mechanisms. PoS generally allows holders of a Digital Asset to verify future transactions in a protocol based on various factors, depending on the rules of the protocol. Some protocols allow holders with a larger amount of the Digital Asset (i.e. stakes) deposited in the protocol to be awarded with additional Digital Assets through the verification of future transactions. Those with stakes in some protocols may also have the ability to govern and vote on how the protocol is controlled in the future. As PoS typically requires storing a large amount of the relevant Digital Asset for a potentially long period of time in order to verify future transactions on the protocol, such investments may be illiquid for an extended period of time before there is any return on investment. Such illiquidity could have an adverse effect on the Funds. Further, PoS is subject to the same risks associated with Digital Assets in general including, but not limited to, equipment failure, regulatory control, and a failure of the network which the stake is deposited on. Additionally, in the event that PoS is not widely adopted in the future, such lack of adoption may have a negative impact on the Funds.

Certain Staking Risks. The Firm has in the past, and intends in the future, to delegate (or license) some of the Funds’ Digital Assets to be staked by Framework Labs, an affiliate of the Firm, and/or to other third parties. Neither the Firm nor the Funds are obligated to take advantage of any particular staking opportunity. Funds that hold certain Digital Assets in a “cold wallet” may not be able to stake such Digital Assets and benefit from staking activities. Where Funds hold certain Digital Assets in a “hot wallet” in order to benefit from staking activities and participation in governance of the Digital Assets, this increases the risk of loss of such Digital Assets through increasing vulnerabilities.

Delegation of the Funds’ Digital Assets to staking services providers including Framework Labs are subject to all risks associated with such staking service provider, including its continuing operation. When the Funds delegate Digital Assets to a third-party or affiliate such as Framework Labs, the Funds may provide control and/or temporary ownership of the Digital Assets to those third parties or affiliates, which raises the risk of misappropriation of, or the Funds’ temporary or permanent loss of access to, those Digital Assets. When Framework or the Funds delegate Digital Assets to third parties for staking services, they may receive only limited information regarding

the nature and extent of the third party's or affiliate's use of those Digital Assets and the rewards, if any, generated by those activities. Third parties or affiliates with which Digital Assets are staked, unlike Framework, do not have a fiduciary duty to the Funds. Furthermore, Framework, Framework Labs and any third-party staking services may not necessarily have a contractual or regulatory obligation to indemnify the Funds for any digital assets that are lost or stolen, including in circumstances where the assets are lost or stolen due to negligence. There can be no assurance that the third parties' or affiliate's staking activities will generate rewards for the Funds. The third parties or affiliates may also have discretion regarding whether to distribute the Funds' returns in the form of cash or in-kind Digital Assets. While Framework, the General Partner, and the Funds will endeavor to minimize any risks associated with delegating their assets to Frameworks Labs or other third parties for staking services, there can be no assurance that such endeavors will be effective and that the third parties or affiliates may not gain improper access to the Funds' Digital Assets or subject the Funds' Digital Assets to the risk of loss.

Staking entities such as Framework Labs may also be subject to regular security threats. Further, the IP address for Framework Labs will be public which increases its potential exposure to security breaches including hacking, malware and general security threats. A security breach of Framework Labs could have a negative impact on the performance of the Funds and could result in loss of the Funds' assets. In addition, staking could generate UBTI or ECI or create negative tax implications for certain investors in a Fund. Staking activities have also been subject to heightened regulatory scrutiny and enforcement action by the SEC.

As detailed further in **Item 11** herein, the Funds' delegation of Digital Assets to Framework Labs for staking services creates a conflict of interest.

Risk of Slashing. Many PoS systems include "slashing", which is a penalty for staking validators that incorrectly validate a transaction or fail to perform validation duties. When a transaction is falsely validated, both the token reward and the tokens that were staked (or portions thereof) are taken from the staking entity. If Framework Labs or an unaffiliated third party staking service provider meets the slashing conditions for a particular protocol, it will likely have a negative impact on the performance of the Funds and may result in loss of the Funds' assets that are delegated to Framework Labs or such third party provider.

Tax Risk of Digital Asset Investments. There is substantial uncertainty regarding the tax treatment of Digital Assets, as well as activities or occurrences related thereto (including, without limitation, to the extent relevant and applicable, those discussed below in "Staking and Related Activities" and "air drops" by promoters of Digital Assets). As such, the general partner may take certain tax positions that may ultimately be treated differently in the course of an audit by the U.S. Internal Revenue Service ("IRS"), or the regulations promulgated by the IRS may change over time. As a result, limited partners may be subject to adverse tax consequences associated with their investment in the Funds.

Custody of Fund Assets. Custody of the Funds’ Digital Assets will be maintained with third-party custodians selected by Framework, on or within hot or warm wallets on exchanges and/or by Framework or its affiliates. To the extent Framework, or its affiliates, maintains custody of any of the Funds’ Digital Assets, Framework, or such affiliate, will select or generate the private keys that control movement of the assets for cold storage/hardware and/or paper wallets, and/or on “air-gapped” computers utilized by the Funds. Several of the Funds’ exchanges may be unable to provide for “cold wallet” storage. Such exchanges and wallets have developed security systems to maintain confidential access to the private keys that have been generated and which control movement of the currencies. Framework may not be able to obtain control of the private keys generated by the exchanges utilized by a Fund, because each exchange may use different methodologies and security systems. Framework employs a due diligence process to select custodians, exchanges and wallets that it determines have developed sophisticated security systems, and will continue to reevaluate the due diligence process and the security systems of the various custodians, exchanges and wallets it currently employs. However, the systems and methodologies of the custodians, exchanges and wallets utilized by a Fund may be subject to exposure from hacking, malware and general security threats, including the risk of cybertheft. Framework and its affiliates are not liable to the Funds or investors for the failure or penetration of these security system absent gross negligence, fraud or criminal behavior on the part of Framework and its affiliates (as applicable). To the extent that the security system is penetrated, any loss of a Fund’s Digital Assets will adversely affect investors, and could result in total loss of capital.

Limited Qualified Custodians and the Custody Rule. In 2009, the SEC amended Rule 206(4)-2 under the Advisers Act (the “Custody Rule”), requiring investment advisers registered with the SEC to maintain custody of client funds and securities with “qualified custodians” (as defined under the Advisers Act). Because the changes to the Custody Rule were implemented prior to the prominence of Digital Assets, the Custody Rule (and the securities and commodities regulatory framework in general) did not contemplate or accommodate for the business and technological limitations of investments in the Digital Asset industry, which is still in a nascent stage. There are currently a limited number of qualified custodians in the Digital Asset space and those qualified custodians tend to have limited capabilities with respect to the types and amounts of Digital Assets they can maintain and may not have the capability to maintain some of the Digital Assets held by the Funds. In some cases, utilizing a third-party custodian may provide less security for a Fund’s assets than a cold or warm storage or self-custody solution. Depending on the Funds’ investments, it may be difficult or impossible to fully comply with the qualified custodian requirement. Further, it remains unclear how the Custody Rule applies to Digital Assets. The SEC and its staff have not issued formal, applicable guidance about whether Digital Assets are considered “client funds or securities” under the Custody Rule and whether investment advisers are required to maintain Digital Assets with qualified custodians in order to comply with the rule.

That said, in February 2023, the SEC proposed amendments to the Custody Rule (the “Proposal”)

that, if adopted, would expand the categories of assets to which the Custody Rule applies, and which, if adopted, would expressly apply the Custody Rule to Digital Assets, including those that are not currently considered “securities” as defined in the Advisers Act. The Proposal is currently in comment period and the Firm is monitoring related developments closely. Fund governing documents do not limit the Firm in any way in determining the appropriate custody solutions to safeguard the Funds’ investments and allow the Firm to use self-custody solutions or third-party custodians, including qualified custodians, in the future as Digital Asset custody standards continue to evolve. Currently, various companies providing Digital Assets custodial services may fall outside of the SEC’s definition of “qualified custodian”, and many long-standing, prominent qualified custodians do not provide custodial services for Digital Assets or do provide such services but only with respect to a limited number of actively traded Digital Assets, which will not necessarily include all of the Digital Assets held by a Fund. It is possible that, due to the Proposal, the Firm will be required to custody assets in a manner that the Firm believes to be less secure or to divest such assets that it does not believe can be custodied in compliance with the Custody Rule.

In addition to subjecting all Digital Assets to the Custody Rule obligations, the Proposal would require, among other things, Framework to: obtain certain contractual terms from each qualified custodian that they use, including the qualified custodian’s agreement to indemnify an advisory client for a loss of client assets arising from the qualified custodian’s negligence or misconduct, promptly obtain verification from an independent public accountant of any purchase, sale or transfer of privately-offered securities. The Proposal would also require that the qualified custodian have possession or control of the assets over which it has custody, whereby any transaction involving a change of beneficial ownership would need to be effectuated by the qualified custodian whose involvement is a condition precedent to the change in beneficial ownership. Satisfying this requirement could be particularly complicated and/or challenging – and, in some circumstances, unfeasible – for Digital Assets, where a party in possession of the private key can transfer possession of the Digital Asset without needing to have a third-party intermediary effectuate the transfer, and could require funds investing in Digital Assets, including the Funds, to provide the qualified custodian with the private key or create a private key that has multiple components some of which are provided to the qualified custodian (Please also see – *“Risk of Loss of Private Key”* below). However, providing the private key to the qualified custodian or using a multi-component key could expose the Digital Assets to risk of misappropriation or loss of access if the qualified custodian discontinues its business or otherwise loses the key or component thereof.

In the event that the Proposal is adopted, even including with modifications, or other future guidance, rules or regulations extend the Custody Rule to all Digital Assets or the SEC begins to enforce the Custody Rule more vigorously against investment managers in the Digital Asset space, the Funds can be expected to be adversely affected. Any such events could also prevent the Firm from generating revenue by staking certain of its assets or impose additional costs on other investment activities of the Funds’ (all or most of which could be borne by the Funds), which could

have a material adverse effect on the Funds and their investment programs and assets. Adoption of the Proposal in its current form, with the contractual and indemnification requirements, may further limit the number of qualified custodians that support Digital Assets. Adoption of the Proposal, or a move by the SEC to enforce the Custody Rule more vigorously, would also likely lead to increases (including, potentially, significant increases) in custodial fees and compliance costs for Framework and the Funds. To the extent permitted under the Organizational Documents, some or all of these increased custodial fees and compliance costs, which may be significant, would be expected to be borne by the Funds.

Risk of Loss of Private Key. Digital currencies and Digital Assets are controllable only by the possessor of unique private keys relating to the addresses in which the digital currencies and Digital Assets are held. The theft, loss or destructions of a private key required to access a digital currency and Digital Assets is irreversible, and such private keys would not be capable of being restored by the Funds. Any loss of private keys relating to digital wallets used to store the Funds' digital currencies and Digital Assets could result in the loss of the digital currencies and/or Digital Assets and the Funds could incur substantial, or even total, loss of capital.

Affiliate / Related Person Risk. As described above, the Firm utilizes the services of Framework Labs, an affiliated entity of the Firm (described in more detail in **Items 4, 5, 8, 11, and 15** herein), for certain staking activities. The Firm and Framework Labs are under common control and have common personnel. Moreover, Framework Labs provides substantial financial support to Framework.

As a result, dealings between Framework and Framework Labs may not reflect terms that would be reached in an "arms-length" negotiation if the entities were not under common control. In addition, there may arise conflicts of interest in allocating the relevant individuals' time and activity between Framework and Framework Labs and in effecting transactions for these entities including ones in which the relevant individuals may have a greater financial interest. Further, Framework Labs may trade assets owned by the Funds in certain circumstances.

This relationship poses a conflict of interest between the Firm and the Funds' investors. The Firm's relationship with and reliance upon Framework Labs for financial support and staking services is a risk about which investors should be aware.

Counterparty Risk. Some of the markets in which the Firm may effect transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to the same credit evaluation and regulatory oversight as are members of "exchange-based" markets. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, might not be available in connection with such OTC transactions. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the

Funds to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Funds have concentrated its transactions with a single or small group of counterparties. The Firm is not restricted from dealing with any particular counterparty or from concentrating any or all of the Funds’ transactions with one counterparty. The ability of the Funds to transact business with any one or a number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Funds.

Public Health Emergencies. The extent of the impact of any public health emergency on any Fund’s and investment’s operational and financial performance will depend on many factors, including but not limited to the duration and scope of such public health emergency, the extent of any related travel advisories and voluntary or mandatory government restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, the extent of government support and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. For this reason, valuations are subject to heightened uncertainty and subject to numerous subjective judgments, any or all of which could turn out to be incorrect with the benefit of hindsight. The effects of a public health emergency may negatively impact the value and performance of the investments, a Fund’s ability to source, manage and divest investments, and a Fund’s ability to achieve its investment objectives, all of which could result in significant losses to a Fund. In implementing a Fund’s investment strategy, the Firm will make a number of assumptions. There can be no assurances that such assumptions will be correct and unexpected events and developments, including the severity of a public health emergency on economies and specific portfolio companies, may be detrimental to a given Fund and its investments. In addition, the operations of the Firm, and the Funds may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity, including possibly its key personnel (including those who hold private keys to Digital Assets), or the personnel of any such entity’s key service providers. The impact to businesses in such circumstances has been and is expected to continue to be substantial.

In connection with the impacts of any future public health crisis, the Funds are expected to incur heightened legal expenses which could similarly have an adverse impact to their returns. There is also a heightened risk of cyber and other security vulnerabilities during public health emergencies, which could result in adverse effects to the Funds or their investments in the form of economic harm, data loss or other negative outcomes.

Russian Invasion of Ukraine. On February 24, 2022, Russian troops began a full-scale invasion

of Ukraine and, as of the date of this Brochure, the countries remain in active armed conflict. Around the same time, the United States, the United Kingdom, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally, and therefore could adversely affect the performance and/or value of any such Fund's investments. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, could present material uncertainty and risk with respect to the Funds and the performance of their investments and operations, and the ability of any such Funds to achieve its investment objectives. Similar risks will exist to the extent that any portfolio entities, service providers, vendors or certain other parties have material operations or assets in Russia, Ukraine, Belarus, or the immediate surrounding areas.

Private Equity and Financial Services Industry Regulatory Risks. There continues to be significant discussion regarding enhancing governmental scrutiny and/or increasing the regulation of the private investment fund industry. On July 21, 2010, then-President Obama signed into law the U.S. Dodd- Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"). A key feature of the Dodd-Frank Act is the potential extension of prudential regulation by the Board of Governors of the Federal Reserve System (the "Federal Reserve") to nonbank financial companies that are not currently subject to such regulation but that are determined to pose risk to the U.S. financial system. The Dodd- Frank Act defines a "nonbank financial company" as a company that is predominantly engaged in activities that are financial in nature. The Financial Stability Oversight Council (the "FSOC"), an interagency body created to monitor and address systemic risk, has the authority to subject such a company to supervision and regulation by the Federal Reserve (including capital, leverage and liquidity requirements) if it determines that such company is systemically important, in that it poses a risk to the U.S. financial system. The Dodd-Frank Act does not contain any minimum size requirements for such a determination by the FSOC, and it is possible that it could be applied to private funds, particularly large, highly leveraged funds, although no such funds have been designated as systemically important by the FSOC to date. The Dodd-Frank Act also imposes a number of restrictions on the relationship and activities of banking organizations with private equity funds and hedge funds and other provisions that affect the private equity industry, either directly or indirectly. Included in the Dodd-Frank Act is the so-called "Volcker Rule," which takes the form of Section 13 of the U.S. Bank Holding Company Act of 1956. Among other things, the Volcker Rule (as amended by the Reform Act) prohibits any "banking entity" (generally defined as any insured depository institution, subject to certain exceptions including for depository institutions that do not have, and are not controlled by a company that has, more than \$10 billion in total consolidated assets or significant trading assets and liabilities, any company that controls such an institution, a non-U.S. bank that is treated as a bank holding company for purposes of U.S. banking law, and any affiliate or subsidiary of the foregoing

entities), as principal, from sponsoring or acquiring or retaining an ownership interest in a private equity fund or hedge fund that is not subject to the provisions of the 1940 Act in reliance upon either Section 3(c)(1) or Section 3(c)(7) of the 1940 Act, to avoid being treated as “investment companies” under the 1940 Act. The Volcker Rule also requires certain nonbank financial companies that have been designated as systemically important by the FSOC and subject to supervision by the Federal Reserve (as discussed above) to comply with additional capital requirements and comply with certain other quantitative limits on such activities, although such entities are not expressly prohibited from engaging in proprietary trading or sponsoring or investing in such funds. Potential investors that are “banking entities” should consult their bank regulatory counsel prior to making an investment. The Dodd-Frank Act, as well as future related legislation, may have an adverse effect on the private equity industry generally and/or on the Firm or the Funds, specifically. Therefore, there can be no assurance that any continued regulatory scrutiny or initiatives will not have an adverse impact on the Firm or otherwise impede the Funds’ activities.

Additionally, in August 2023, the SEC voted to adopt previously proposed new rules and amendments to existing rules (collectively, the “Private Fund Adviser Rules”) under the Advisers Act specifically related to registered advisers and their activities with respect to private funds. In particular, the Private Fund Adviser Rules will, among other changes, require registered investment advisers to: prepare and distribute to private fund investors quarterly statements containing detailed information about compensation, fees and expenses, portfolio investments and performance; to obtain an annual audit for private funds they manage; and obtain a fairness opinion and make certain disclosures, in connection with adviser-led secondary transactions (also known as GP-led secondaries). In addition, the Private Fund Adviser Rules restrict all investment advisers from engaging in certain practices unless they satisfy certain disclosure requirement and, in some cases, consent requirements, such as, without limitation, charging fees and expenses associated with regulatory and investigation related expenses, charging non-pro rata fee and expense allocations, reducing the amount of any clawback of advisory fees by actual, potential or hypothetical taxes, and borrowing money from a private client. The Private Fund Adviser Rules also prohibit advisers from providing certain forms of preferential treatment to investors in private funds. The compliance dates for the Private Fund Adviser Rules are in September 2024 or March 2025, depending on the particular provisions. While the full extent of the Private Fund Adviser Rules’ impact cannot yet be determined, it is generally anticipated that they will have a significant effect on private fund advisers and their operations, including by increasing regulatory and compliance costs and burdens and heightening the risk of regulatory action. It is expected that the private funds advised by Framework will bear (either directly or indirectly) certain regulatory and compliance costs relating to the Private Fund Adviser Rules. For these reasons, the Private Fund Adviser Rules could have a material negative impact on the operations and financial performance of Framework’s investment adviser and the private funds that they manage.

The Private Fund Adviser Rules are complemented by amendments to the books and records and compliance rules under the Advisers Act that require, respectively, registered investment advisers to private funds to retain certain records evidencing their compliance with the Private Fund Adviser

Rules and all registered investment advisers to document their annual compliance review (effective as of November 13, 2023). In addition, the SEC (in May 2023) and the SEC and CFTC jointly (in February 2024) adopted changes to Form PF.

In July 2023, the SEC proposed new predictive data analytics rules (the “**Predictive Data Proposal**”), which would require broker-dealers and registered investment advisers to identify certain covered technologies (defined to include any analytical, technological, or computational function, algorithm, model, correlation matrix, or similar method or process that optimizes for, predicts, guides, forecasts, or directs investment-related behaviors or outcomes, and not limited to “artificial intelligence”, algorithmic trading or machine learning processes) which present or may present conflicts of interest in direct or indirect interactions (including exercising investment discretion, managing investments, providing information or soliciting new investment) with investors (which for investment advisers, will include investors in pooled investment vehicles) and eliminate or neutralize (rather than just disclose) such conflicts. Managers using covered technologies would be required to adopt policies and procedures reasonably designed to prevent violations of the proposed rule, detailing the processes for identifying and evaluating covered technologies and conflicts of interest and for eliminating or neutralizing the effect of such conflicts, and advisers would also be subject to associated annual review and recordkeeping requirements (such as, maintaining a record of all covered technologies used in investor interactions, including the date of first use and each date on which the technology is materially modified). If adopted, the proposed rule could expose Framework to additional regulatory uncertainty, liability and increased compliance and other costs related to procuring, utilizing and monitoring covered technologies used in direct or indirect interactions with investors (including the costs of onboarding service and technology providers). If adopted, the rule could also cause Framework to limit or discontinue its use of certain covered technologies (even in cases where such technologies may benefit the Funds or investors, including in connection with Framework’s management of investments in portfolio entities) in order to eliminate or neutralize potential conflicts associated therewith or to avoid the costs of complying with the rule with respect to such technologies, limit certain direct or indirect interactions with investors that involve the use of a covered technology, or otherwise alter how it integrates covered technologies into its investment management services and related processes, which could be detrimental to the Funds and investors, particularly given the proposed rule’s breadth.

Lack of Liquidity and Transferability. The Limited Partnership Agreements for the Funds, subject to certain exceptions, prohibit withdrawals by limited partners and place restrictions on the rights of limited partners to transfer their interests in a Fund and/or pledge or otherwise encumber such interests. Thus, it is unlikely that a holder of Fund interests will be able to liquidate such interests in the event of an unanticipated need for cash. Fund interests may not be transferred or pledged except in compliance with significant restrictions on transfer as required by federal and state securities laws and as provided in the applicable Limited Partnership Agreement. Fund Limited Partnership Agreements generally do not permit limited partners to transfer or pledge all or any part of their interests in a Fund to any person without the prior written consent of the General Partner for such Fund, the granting of which is in such

General Partner's sole and absolute discretion. These limitations, taken together, will significantly limit a Fund limited partner's ability to liquidate an investment in the Fund quickly. As a result, investments in the Funds may not be suitable for an investor who needs liquidity.

Banks May Refuse to Provide Continued Banking Services to the Funds. While the Funds have established relationships with banks to open accounts, a number of funds and other companies that hold or otherwise deal in Digital Assets have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such entities have had existing bank accounts closed by banks. Banks may refuse to provide bank accounts and other banking services to Digital Asset-related companies or companies that accept Digital Assets for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide Digital Asset-related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may decrease the usefulness of Digital Assets as payment systems or mechanisms and may harm public perception of Digital Assets or could decrease their usefulness and harm their public perception. Similarly, the usefulness of Digital Assets and the public perception of Digital Assets could be damaged if banks were to close the accounts of many or of a few key businesses providing Digital Asset-related services. This could decrease the price of Digital Assets and therefore adversely affect an investment in the Funds. Furthermore, there is no guarantee that the Funds' banks will maintain their current policies on Digital Asset-related services, which could have a materially negative effect on the Funds.

Possession of Material Non-Public Information ("MNPI"). Framework may come into possession of MNPI restricting Framework's ability to buy or sell an investment, which may adversely impact the applicable Fund.

Intellectual Property Rights Claims May Adversely Affect the Operation of a Digital Asset Network. Third parties may assert intellectual property claims relating to the operation of Digital Assets and Digital Asset networks, and their underlying source code, relating to the holding and transfer of such assets or otherwise. Regardless of the merit of any intellectual property or other legal action, any action or threatened action that reduces confidence in a Digital Asset's or Digital Asset network's long-term viability or the ability of end-users to hold and transfer tokens or coins may adversely affect an investment in the Funds. Additionally, a meritorious intellectual property claim could prevent the Funds and other end-users from accessing the relevant Digital Asset network or holding or transferring tokens or coins, which could force the Funds to liquidate the Funds' Digital Assets (if such liquidation of the Funds' Digital Assets is possible) at inopportune times. As a result, any such intellectual property claim could adversely affect an investment in the Funds.

Hackers. Hackers or malicious actors may launch attacks to steal, compromise or secure Digital Assets, such as by attacking Digital Asset network source code, exchange servers, third-party platforms, cold and hot storage locations or software, Fund platform or Digital Asset transaction history, or by other means. If the Funds increase in size, they may become more appealing targets for hackers, malware, cyberattacks or other security threats. As a result, the Framework and the Funds undertake efforts to secure and safeguard the Digital Assets in their custody from theft, loss, damage,

destruction, malware, hackers or cyberattacks, which efforts add expenses to the operation of the Funds, and may be significant. No security measures are completely effective in all instances and there can be no assurance that such security measures utilized by Framework, the Funds, and/or third party will be effective. At this time, there is no U.S. or foreign governmental, regulatory, investigative or prosecutorial authority or mechanism specifically designed to facilitate actions or complaints regarding missing or stolen Digital Assets. Consequently, the Funds may be unable to replace missing Digital Assets or seek reimbursement for any theft of Digital Assets, adversely affecting an investment in the Funds.

Third Party Wallet Providers. The Funds may and do use third-party wallet providers to hold certain Fund Digital Assets. The Funds may have a high concentration of their Digital Assets in one location or with one third party wallet provider, which may increase the risk of losses arising out of hacking, loss of passwords, compromised access credentials, malware, or cyber-attacks. Funds are not required to maintain a minimum number of wallet providers to hold Fund Digital Assets. While Framework and General Partners perform information technology diligence on such third party wallet providers, Framework and/or the applicable General Partner are unlikely to be aware of all potential security vulnerabilities and risks. Generally, third party wallet providers will not indemnify the Funds against any losses of Digital Assets. Digital Assets held by third parties may be transferred into “cold storage” or “deep storage,” in which case there could be a delay in retrieving such Digital Assets. The Funds may also incur costs related to third party storage. Any security breach, incurred cost or loss of Digital Assets associated with the use of a third party wallet provider, may adversely affect an investment in a Fund.

Risk from Unique Governance Model. In many cases, the Funds will be investing in Digital Assets that lack governance aspects generally incident to equity securities. For example, holders of a Digital Asset may not have the right to appoint board members or otherwise vote on corporate actions of the entity that issued the applicable Digital Asset. As a result, the General Partner of each Fund will have limited, if any, ability to influence the actions of the issuer of the Digital Assets in which a Fund invests. Such lack of influence may negatively impact the value of any particular investment.

Cybersecurity Risk. Framework, the Funds’ service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different cybersecurity threats or risks. These risks could adversely affect the Funds and their investors, despite the efforts of Framework, the Funds, and the Funds’ service providers to adopt technologies, policies and procedures, and practices intended to mitigate these risks and protect the security, confidentiality, integrity and availability of their computer systems, software, networks and other technology assets, and information related to the Fund and its investors. These risks and threats include unauthorized parties improperly accessing, modifying, disrupting the operations of, encrypting or otherwise preventing access to these systems of Framework, the Funds’ service providers and counterparties, as well as the data stored by these systems. Third parties may also attempt to

fraudulently induce employees, customers, third-party service providers or other users of Framework's systems to disclose sensitive information in order to gain access to Framework's data or that of the Funds' investors. A successful penetration or circumvention of the security of Framework's systems by an unauthorized party may result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, adverse impact on the Fund's ability to value its assets, physical damage to a computer, network system or reputational damage. Such incidents could further cause Framework or the Funds to incur regulatory penalties or financial loss.

Responding to cybersecurity incidents will require significant time and attention of Framework personnel, and will impose financial costs on Framework and/or the Funds, which could be substantial. Responsive measures to cybersecurity incidents could include investigating the origin and scope of the incident, increasing and upgrading Frameworks' cybersecurity protections including administrative, technical, organizational and physical controls – in order to prevent cyber incidents in the future, and measures to mitigate risks resulting from cybersecurity breaches, such as identity theft, unauthorized use or loss of proprietary information, adverse investor reaction, increased insurance premiums, or litigation and regulatory actions.

Similar types of operational and technology risks are also present for the companies in which the underlying funds invest, which could have material adverse consequences for such companies, and may cause the Funds' investments to lose value.

Risks Associated with Artificial Intelligence. In the current period of rapid technological and commercial innovation, new businesses and technological developments in artificial intelligence, including machine learning technology such as ChatGPT (collectively, "AI Technologies"), may adversely affect the Firm, its clients, and their portfolio companies, by altering the market practices that they have been designed to function within and by posing compliance and operational risks.

Framework continues to evaluate and adjust its internal practices, policies and guidelines governing the use of AI Technologies by its personnel in connection with its investment activities. Notwithstanding any existing or future Firm guidelines or policies, Employee's use of AI Technologies poses certain risks. AI Technologies are highly reliant on the collection and analysis of large amounts of data and complex algorithms. However, it is not practicable to incorporate all relevant data into AI Technologies, and bias or errors in the construction of AI Technologies can limit their accuracy and degrade their effectiveness. In the ordinary course, the Firm does not expect to be involved in the collection of such data or the development of such algorithms, and may not be able to verify AI Technologies' outputs (including whether the outputs implicate third party intellectual property rights). AI Technologies could pose conflicts of interest, including if particular technology favors (even if inadvertently) the Firm's interests over the interests of clients or the Firm has an economic incentive to use AI Technologies to reduce its expenses despite limitations on their reliability. AI Technologies could also be misused by Employees, in contravention of its policies and guidelines, or by third parties. For example, a user may input confidential information of the Firm, its clients, or portfolio companies into AI Technology applications, resulting in such information becoming part of a widely accessible dataset. AI

Technology's reliance on large amounts of data and algorithms also increases cybersecurity risks for Framework, its clients, and portfolio companies.

AI Technologies and their current and future applications in the investment and financial sectors, as well as the legal and regulatory frameworks within which they operate, continue to rapidly evolve. Governments and regulatory authorities in multiple jurisdictions are implementing or considering laws or rules that regulate or restrict certain uses of AI Technologies. The costs of monitoring and responding to such laws and regulations, as well as the consequences of non-compliance, such as legal and regulatory investigations and enforcement actions, could have an adverse effect on the Firm, its clients, and/or portfolio companies. Such regulations could also reduce or delay societal use of AI Technologies, which could negatively impact the performance of certain clients or their portfolio companies.

In addition, the Firm, the Funds and the Funds' investments could be exposed to risks to the extent third-party service providers or any counterparties use AI Technologies in their business activities. The Firm will not be in a position to control the manner in which third-party products are developed or maintained or the manner in which third-party services utilizing AI Technologies are provided.

The foregoing list of risk factors is not intended to be a complete set or explanation of the risks involved in an investment in the Funds. Prospective investors should carefully read the entire offering documents, including the risk disclosures and conflict of interest disclosures therein, and consult with their own advisers before deciding whether to invest in the Funds. In addition, as the Funds' investment program develops and changes over time, an investment in the Funds may be subject to additional and different risk factors.

Item 9. Disciplinary Information

As of the date of this Brochure and to the best of Framework's knowledge, Framework does not have any legal or disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

Framework and its management persons are not registered, and do not have applications pending to register, as a broker-dealer, a registered representative of a broker dealer, futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing types of entities.

Framework does not have a relationship with any other financial industry firm that is required to be disclosed in response to this Item. However, please see **Items 4, 5, 8, 11 and 15** for information regarding the Firm's relationship with Framework Labs.

Framework does not recommend or select other investment advisers for its clients.

| |
|---|
| Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading |
|---|

Code of Ethics

The Firm has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Advisers Act. The Code is applicable to all of the Firm’s partners, officers and employees, as well as those persons employed by Framework Labs who provide services to the Firm or its managed Funds (collectively, “Employees”). The Code is designed to ensure that Framework meets its obligation to Clients to instill a culture of compliance within Framework.

The Code is designed to: (i) establish guidelines for professional conduct and personal trading procedures; (ii) prevent improper personal trading by Employees of the Firm (iii) prevent improper use of material, non-public information about securities recommendations made by the Firm or securities holdings of Clients; (iv) identify conflicts of interest; and (v) provide a means to resolve any actual or potential conflict in favor of firm Clients, and other areas as described more fully in the Code.

Compliance with the Code is a condition of employment. All Employees must acknowledge the terms of the Code upon hire and at least annually thereafter. Any Employee found to have engaged in improper or unlawful activity faces appropriate administrative and/or legal action. The Firm endeavors to ensure that the investment management and overall business of the Firm complies with applicable U.S. federal and state securities laws and regulations.

Framework uses two software platforms to monitor Employee activity including investment activity.

A copy of the Code of Ethics is available to any client or prospective client upon written request to legal@framework.ventures.

Conflicts Of Interest

Framework, as a fiduciary, endeavors to always make decisions in the best interest of its Clients if a conflict of interest arises. Below is a non-exhaustive list of existing conflict of interests the Firm has identified, in addition to any conflicts identified in Item 8 above. Framework has adopted, and will continue to maintain, policies and procedures to address these potential conflicts of interest.

Potential Conflict of Interest: The Firm utilizes the services of Framework Labs, an affiliate, for staking activities, which may be deemed to result in Framework Labs temporarily taking custody of Fund assets. Utilizing an affiliate for such activities poses a conflict of interest between the Firm and its investors, as detailed further below.

Resolution of Conflict of Interest: Framework selects service providers and counterparties based

on what it believes to be in the best interest of its clients. Additionally, as further described in certain Fund Organizational Documents, where a Fund is contemplating entering into a transaction or agreement, or amending an existing agreement or relationship, with Framework Labs, the Firm may be required to seek written approval for such transaction, modification, agreement or relationship from the applicable Fund's Limited Partner Advisory Committee.

Potential Conflict of Interest: Framework Labs may hold or invest in assets that may or may not be held or contemplated to be held by the Funds.

Resolution of Conflict of Interest: The CCO monitors Framework Labs trading for potential conflicts of interest via a software platform.

Potential Conflict of Interest: Framework serves as investment manager to various funds, some of which may have investment objectives similar to another fund.

Resolution of Conflict of Interest: Framework's policy is to allocate investment opportunities in a manner that is consistent with its fiduciary obligations and, accordingly, to allocate investment opportunities fairly and equitably among the Funds, where and to the extent applicable, such that no Fund will be systematically disadvantaged over time. The proper method of allocating investment opportunities can be complex and requires careful evaluation and application. A number of factors generally may be considered when multiple Funds are capable of purchasing or selling a particular asset based on their respective investment objectives, including, without limitations, the amount of available cash, the impact that any such transaction may have on an existing portfolio's diversification, risk and volatility characteristics, existing investments, liquidity, contractual commitments or regulatory obligations and other similar considerations.

Potential Conflict of Interest: Employees may engage in outside business activities outside their employment with Framework.

Resolution of Conflict of Interest: Employees are required to report, and submit for clearance, outside business activities in which such Employees intend to engage. These reports and submissions are reviewed by the Firm's CCO and are approved or denied based on a number of factors, including, without limitation, time commitment, overlap with Firm or Fund activities and reputational risk.

Potential Conflict of Interest: Employees may own in their personnel accounts Digital Assets and/or other securities that are held by Funds.

Resolution of Conflict of Interest: Employees are required to pre-clear certain contemplated transactions in their personal accounts. Additionally, Employees must disclose on an initial and annual basis the holdings of all personal accounts, as well as all transactions on a quarterly basis.

In the case of all conflicts of interest, the Firm's determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Firm's best judgment and in its sole discretion. The Firm seeks to address these potential conflicts through the use of, among other

things:

- A Code of Ethics (which is described in **Item 11** above).
- Annual requirement that Employees complete a questionnaire detailing their other activities and potential conflicts.
- Disclosure of potential conflicts of interests and risks in the Funds' offering documents and this Form ADV.

Investors should carefully review and consider the Organizational Documents of the applicable Funds, which further describe potential conflicts relating to a potential investment in a Fund.

Additional Conflicts of Interest

Affiliation with Framework Labs

Framework Labs has paid substantial portions of Framework Ventures' expenses, overhead, and salary, but is not legally obligated to pay these and may cease to do so in the future. Framework Labs, an affiliate of the Firm that is proprietarily capitalized, engages in various activities relating to Digital Assets, such as providing staking services to the Funds, and potentially, unrelated third parties, and providing certain support functions to companies and platforms invested in by the Funds (including, without limitation, the activities described in Section 8.A herein). Framework Labs has provided and may provide such services to the Funds and the companies and platforms in which the Funds invest in exchange for fees, and the receipt of such fees by Framework Labs will not result in a corresponding reduction in the amount of performance fees paid by the Funds. The Firm undertakes no obligation to benchmark such fees to those charged by comparable third-party services providers. Where Framework Labs does provide staking services to the Funds, such services are provided pursuant to staking agreements, whereby the proceeds derived from Framework Labs' staking services are split between the applicable Fund and Framework Labs in the percentages set forth in the applicable staking agreement. Because the principals of the Firm are also principals of Framework Labs, there are conflicts of interest when the Firm is negotiating agreements with Framework Labs for staking or other services for the Funds because the principals benefit from the Funds' payment of higher compensation amounts. Framework Labs' substantial financial support of the Firm also creates a potential conflict of interest with respect to negotiating agreements for staking and other services. All Framework Labs Digital Asset trading activities are performed with proprietary (not Fund) assets. Framework Labs is generally restricted from trading in assets that are held by any Fund, though circumstances may arise through its provision of staking services where Framework Labs must dispose of a particular asset that is also held by the Fund. Additionally, Framework Labs may trade or otherwise transact in certain stablecoins and other large cap assets, such as ETH, which are also held by the Fund. Because the principals of the Firm are also the principal owners of Framework Labs, and because certain employees of the Firm do provide services to the Firm and Framework Labs, conflicts of interest may arise in relation to the Firm's relationship with Framework Labs, including (without limitation) with respect to the allocation of time, attention and resources between the Firm and Framework Labs. Framework

Labs has in the past, and expects from time to time in the future, to provide services to third parties other than the Funds. If those third parties pay Framework Labs higher compensation than the Funds, Framework Labs and the Framework principals may have an incentive to allocate more of their time, attention, and resources as well as better opportunities to the third parties than to the Funds. For more information regarding potential conflicts of interest between the Firm and Framework Labs, please see the offering documents for the applicable Fund.

Portfolio Company Services

Framework and/or its affiliates may use the services of the Fund's portfolio companies.

Material Non-Public Information and Insider Trading

The Firm has adopted Insider Trading Policies and Procedures designed to mitigate the risks of the Firm, its affiliates and its and their employees misusing and misappropriating any material non-public information that they may become aware of, either on behalf of the Firm's Clients or for their own benefit. The policy applies to every employee of the Firm and to certain of its affiliates and their employees, and extends to activities both within and outside of their duties to the Firm, including for an employee's personal account.

The Firm may from time to time acquire MNPI about issuers, corporations, or other entities and their securities or other assets. The Firm will not use MNPI in making investment decisions for its clients nor will any employee or affiliate of the Firm or its affiliates use such information for personal benefit. Additionally, the Firm may not be free to divulge or to act upon such information with respect to its activities and, on occasion, may be restricted from buying or selling certain securities or other assets on behalf of clients because of these circumstances. These restrictions may adversely impact the investment performance of client accounts. The Firm has implemented procedures, including those described herein and in the Code relating to information barriers that prohibit the misuse of such information by the Firm, its employees, and on behalf of its clients. Although the procedures do not provide absolute assurance as to the correct handling of MNPI, these procedures have been reasonably designed to aid the Firm's personnel in avoiding insider trading, and to aid the Firm in preventing, detecting and imposing sanctions against, insider trading.

| |
|-------------------------------------|
| Item 12. Brokerage Practices |
|-------------------------------------|

Best Execution

The Funds make portfolio investments on digital exchanges or over the counter ("OTC") without the use of a broker-dealer. Notwithstanding the foregoing, Framework seeks to execute trades with counterparties whom it believes to be best suited for each asset and/or trade.

To inform Framework's decisions in placing transactions with digital exchanges or in assessing

the quality of an OTC counterparty, Framework considers the following factors: speed, ability to handle various trades and orders, liquidity, reliability, transaction fees, pricing, customer services, security and geography, among other criteria. Framework conducts diligence on trading counterparties and/or exchanges to mitigate potential risks associated with such relationships. Framework monitors the quality of execution of digital exchanges and OTC counterparties.

Soft Dollars

Framework does not currently engage in the use of soft dollars.

Brokerage or Client Referrals

Framework does not participate in selecting or recommending broker-dealers in exchange for client referrals.

Directed Brokerage

Not Applicable. Framework does not permit directed brokerage by its clients.

Block Orders and Trade Aggregation

To the extent a particular investment is suitable for more than one Fund, such investments may be allocated between the Funds in some manner that the Firm determines is fair and equitable under the circumstances. When it is determined that it would be appropriate for one or more Funds managed by the Firm, the Firm will seek to execute orders for all of the participating investment accounts, including the Funds, on an equitable basis, taking into account such factors including but not limited to the relative amounts of capital available for new investments, relative exposure to short-term market trends, and the investment programs and portfolio positions of the Funds and the affiliated entities for which participation is appropriate. Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, Digital Assets and/or securities may be allocated among the different accounts on a basis which the Firm considers equitable.

| |
|------------------------------------|
| Item 13. Review of Accounts |
|------------------------------------|

Oversight and Monitoring

Framework and its investment team regularly monitors the investments of the Funds. Such matters reviewed include specific positions held, adherence to applicable investment objectives, guidelines, and risk parameters.

Reporting

The Funds' administrator(s) send investors written unaudited account statements on a monthly/quarterly basis. The reports contain each investor account's previous monthly/quarterly balance less withdrawals plus contributions, net income, and period returns. Investors in the Funds will typically also receive a copy of audited financial statements of the relevant Fund annually.

Item 14. Client Referrals and Other Compensation

Framework does not receive a direct economic benefit from any third party for providing investment advice or other advisory services to any of the Funds. Framework has not entered into agreements with one or more persons or entities to act as a placement agent for the Funds in connection with the offer and sale of interests to certain potential investors.

Item 15. Custody

Framework has custody of certain Funds' funds and securities and seeks to maintain such Fund assets with qualified, third-party custodians in accounts in the name of the respective Fund or in accounts that contain only assets owned by one or more Funds under Framework's name as agent or trustee for such Funds. Neither the custodians nor Framework send custody account statements directly to investors. However, Frameworks Funds' administrators send monthly/quarterly statements to the investors of each Fund.

The Funds are subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB") and audited financial statements of the Funds will be prepared in accordance with generally accepted accounting principles and distributed to investors within 120 days of the end of the Funds' fiscal year. Investors should carefully review the audited financial statements of the Funds upon receipt, and should compare these statements to any account information provided by Framework.

Item 16. Investment Discretion

Investment advice is provided directly to the Funds, subject to the direction and control of the Firm, and not provided to individual investors in the Funds. Services are provided to the Funds in accordance with the Organizational Documents of the Funds. Investment restrictions for the Funds are described in the Funds' Organizational Documents.

Item 17. Voting Client Securities

Framework has authority to vote client securities.

Framework does not invest in securities with respect to which proxy votes are cast and does not currently vote tokens. For questions about **Item 17** and Framework's policy discussing voting securities generally, please submit a written request to: **Framework Ventures Management, LLC, 600 Montgomery Street, 42nd Floor, San Francisco, CA, 94111.**

Item 18. Financial Information

Framework is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Framework has not been the subject of a bankruptcy petition at any time during the past ten years.