

Item 1 – Cover Page

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MARCH 2024

This Brochure provides information about the qualifications and business practices of 1confirmation Global, LLC (“Adviser” or “the Adviser”) an investment adviser registered with the United States Securities and Exchange Commission (the “SEC”) under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”) Such registration does not imply a certain level of skill or training. If you have any questions about the contents of this Brochure, please contact us at 978-729-1251 or [nick@1confirmation.com](mailto:nick@1confirmation.com). The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

This Brochure is for informational purposes only. It does not convey an offer of any type and is not intended to be, and should not be construed as, an offer to sell, or the solicitation of an offer to buy, any interest in any entity, investment, or investment vehicle. The delivery of this Brochure does not create or imply a client relationship between you and the Adviser or any of its affiliates.

Additional information about Adviser is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 – Material Changes

1confirmation has not made any material changes to this Brochure since our last filing in March 2023.

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## Item 4 – Advisory Business

The Adviser is a limited liability company incorporated under the laws of the State of Delaware. It was founded in 2017 and operated as an Exempt Reporting Adviser with the US Securities and Exchange Commission (“SEC”) from 2017 to 2021, at which time the Adviser applied for full registration as an investment adviser with the SEC.

The Adviser provides advisory services on a discretionary basis to its clients, which are pooled investment vehicles (the “Private Funds”) intended for sophisticated investors and institutional investors. Investment advice is provided directly to the Private Funds, subject to the discretion and control of the applicable Private Fund’s general partner (a “General Partner”), and not individually to the investors in a Private Fund. The Adviser’s strategies include acquiring, holding, and disposing of virtual currencies and digital tokens of all kinds (collectively, “Virtual Assets”) and seed and venture capital investing, through acquiring, holding, and disposing of convertible debt, convertible equity and equity securities issued by private companies whose primary business is related to Virtual Assets. Adviser manages and supervises such investments; engages in such other activities as are customary to angel and venture capital investment funds; and engages in any other lawful activities determined by the Adviser to be necessary or advisable in furtherance of the foregoing activities.

The Adviser bases its advice to clients on the investment objectives and restrictions (if any) set forth in such Private Fund’s applicable offering documents, organizational documents, and subscription agreements (each, a “Governing Document,” and collectively, the “Governing Documents”).

As of December 31, 2023, the Adviser had approximately \$520,619,257 client assets under management. The Adviser does not manage any client assets on a non-discretionary basis.

## Item 5 – Fees and Compensation

**Private Funds.** The Adviser is paid a management fee (“Management Fee”), which is generally payable quarterly in advance, on the first day of each fiscal quarter and pro-rated on a daily basis for short fiscal periods. The Management Fee may be additionally pro-rated on a daily basis (payable immediately) at any time that there is an increase in the aggregate Capital Commitments of the Private Funds’ Limited Partners. The first payment of Management Fee is generally made at the Initial Closing or at the earliest subsequent date upon which the Private Funds have received sufficient Capital Contributions to fund such payment.

The annual Management Fee rate is 2.25 percent of the Capital Commitment of each Limited Partner. Commencing with the first complete Fiscal Year following the end of the Investment Period, the Management Fee rate shall be reduced by 0.25 percentage points per year for each Limited Partner, but in no event will the Management Fee be reduced below 1.50%.

In addition to the Management Fee, the Adviser shall receive a special payment of Management Fee at the time of each admission of an Additional Limited Partner or increase in the Capital Commitment of an existing Limited Partner. Such special payment shall be equal to the excess of the Management Fee that would have been payable to the Adviser through the Close of Business on the date immediately preceding such admission or increase if such admission or increase had occurred at the Initial Closing, over the actual Management Fee paid through such time.

The Adviser reserves the right to negotiate or waive fees on a case-by-case basis.

The Adviser’s Management Fee is exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. The Private Funds may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund’s prospectus. Such charges, fees and commissions are exclusive of and in addition to the Adviser’s Management Fee, and the Adviser shall not receive any portion of these commissions, fees, and costs.

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

The Adviser may receive performance-based fees, in the form of Carried Interest in connection with the performance of investments. The existence of the Adviser's Carried Interest creates an incentive for the Adviser to make riskier and more speculative investments on behalf of a Private Fund than it might otherwise make in the absence of such performance-based compensation.

## Item 7 – Types of Clients

The Adviser's only clients are the Private Funds, which are structured as private investment companies that are exempt from registration under the Investment Company Act of 1940. A minimum dollar value of assets and other conditions are typically imposed on investors in the Private Funds. Investment advice is provided directly to the Private Funds (subject to the direction and control of the General Partners of the Private Funds) and not individually to investors in the Private Funds.

## Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

The primary investment objective of the Adviser's strategy is long term capital appreciation. The Adviser will seek to achieve this objective by acquiring, holding and disposing of Virtual Assets and seed and venture capital investing, through acquiring, holding and disposing of convertible debt, convertible equity and equity securities issued by private companies whose primary business is related to Virtual Assets. Adviser manages and supervises such investments; engages in such other activities as are customary to angel and venture capital investment funds; and engages in any other lawful activities determined by the Adviser to be necessary or advisable in furtherance of the foregoing activities.

These strategies and investments involve risk of loss to clients and clients must be prepared to bear the loss of their entire investment.

Investors should be aware that an investment in Adviser's strategies involve a high degree of risk and, therefore, should be undertaken only by investors capable of evaluating the risks and bearing the risks it represents. There can be no assurance that the investment objectives will be achieved, or that Investors will receive a return of its capital, and therefore, Investors should only invest in the strategy if such investor is able to withstand a total loss of its investment. In addition, there will be occasions when the Adviser and its affiliates may encounter potential conflicts of interest. The following considerations, among others, should be carefully evaluated before making an investment. The following risks do not purport to be a complete explanation of all of the risks involved in investing. Potential investors are urged to read the entire offering documents for Adviser's Private Funds, including the exhibits before making a determination whether to invest. Prospective Limited Partners should also consult their own financial, tax and legal advisors regarding the suitability of an investment prior to investing.

### Risks Related to Adviser's Investment Program

**Risk Inherent in Venture Capital and Early-Stage Investments.** The types of investments that Adviser anticipates making involve a high degree of risk. In general, financial and operating risks confronting portfolio investments can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that Adviser will be adequately compensated for risks taken. A loss of the Investor's entire investment is possible. The timing of profit realization, if any, is highly uncertain. Losses are likely to occur early in the investment's life, while successes often require a long maturation.

Early stage and development stage companies often experience unexpected problems in the areas of product development, manufacturing, marketing, financing, and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing, which may not be available through institutional private



placements or the public markets. The percentage of companies that survive and prosper can be small.

**Investments in Unseasoned Companies.** The Adviser may invest in privately held companies with limited histories of profit and stability. These companies may require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Although the investor may be represented by at least one representative of the Adviser on a portfolio company's board of directors, each portfolio company will be managed on a day-to-day basis by its own management team. Portfolio companies may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

**Investment in Companies Dependent Upon New Product Development and Technologies.** The Adviser plans to focus its investing on technology and related companies in the technology industries. The value of the Interest may be susceptible to factors affecting this industry and to greater risk and market fluctuation than an investment in a broader range of securities. The specific risks faced by such companies include:

- Rapidly changing science, technologies and consumer adoption;
- Products or technologies that may quickly become obsolete;
- Competitive environment in recruitment of management, technical, research and marketing personnel with appropriate training;
- Changes in legal and regulatory restrictions; and
- The possibility of lawsuits related to patents and intellectual property.

**Risks Associated with Management of Growth.** To achieve their projected revenues and other targeted operating results, the companies Adviser invests in may be required to rapidly implement and improve operational, financial and management control systems on a timely basis, together with maintaining effective cost controls, and any failure to do so would have a material adverse effect on their business, financial condition and results of operations. The success of their growth plans will depend in part upon their ability to continue to attract, retain and motivate key personnel. Failure to make the required expansions and upgrades could have a material adverse effect on their business, financial condition, results of operations and relationships with their corporate partners. The results of operations for the companies will also be adversely affected if revenues do not increase sufficiently to compensate for the increase in operating expenses resulting from

any expansion and there can be no assurance that any expansion will be profitable or will not adversely affect their results of operations.

**Virtual Assets.** Cryptocurrencies, decentralized application tokens and protocol tokens, blockchain- based assets and other cryptofinance assets, or instruments for the purchase of such cryptocurrencies, tokens or assets (each, a “Virtual Asset” and, collectively, “Virtual Assets”) represent a speculative investment and involve a high degree of risk. As relatively new products and technologies, Virtual Assets have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of the demand for Virtual Assets is generated by speculators and investors seeking to profit from the short or long-term holding of Virtual Assets. Many Virtual Assets will derive their speculative value from the perceived usefulness of the blockchain networks they are attached to as many are designed to be consumed in transactions that record data or provide access to certain functionality on these networks. The relative lack of acceptance of Virtual Assets beyond their own blockchain network in the retail and commercial marketplace limits the ability of end-users to pay for other goods and services with Virtual Assets. A lack of expansion by Virtual Assets or use of their underlying blockchain networks into retail and commercial markets, or a contraction of such use, may result in increased volatility.

Several factors may affect the price of Virtual Assets, including, without limitation, supply and demand, investors’ expectations with respect to the rate of inflation, interest rates, currency exchange rates or future regulatory measures (if any) that restrict the trading of Virtual Assets or the use of Virtual Assets as a form of payment. There is no assurance that Virtual Assets will maintain their long-term value in terms of purchasing power in the future, or that acceptance of Virtual Asset payments by mainstream retail merchants and commercial businesses will grow.

A Virtual Asset is often an asset that is attached to a blockchain network secured by cryptographic authentication. A blockchain network is a peer-to-peer network of computers that store and verify copies of a transactional database. This database, which is the blockchain at the heart of the system, is used to record the ownership and value of Virtual Asset transactions and the conditions upon which this Virtual Asset can be further transacted by others. Virtual Asset transactions can be authorized by any user that cryptographically proves to the network that they have met the required conditions detailed in the transactional database. Once authorized and broadcast to peers in the network, these transactions are then recorded to the blockchain via the rules of the network’s validation process as dictated by the code run by network peers, the blockchain’s protocol. Thus, such Virtual Assets are created, issued, transmitted, and stored according to protocols run by computers in a blockchain network. Some blockchain networks are further interdependent on other blockchain networks whose attached Virtual Asset may have limited to no interoperability but where changes to the protocol may adversely affect some or all interdependent blockchain networks.

It is possible these protocols have undiscovered flaws that could result in the loss of some, or all of the Virtual Assets held by the Private Fund. There may also be network scale attacks against these protocols that result in the loss of some, or all of the Virtual Assets held. Some assets may be created, issued, or transmitted using experimental cryptography that could have underlying flaws. Advancements in quantum computing could break the cryptographic rules of protocols that support the assets held by the Private Fund. The developers and/or stakeholders of a blockchain network or open-source software project may alter the network protocol in a manner adverse to Virtual Asset holders. The Adviser makes no guarantees about the reliability of the cryptography used to create, issue, or transmit assets held.

**Staking.** As a general matter, the strategy of the Private Funds is to invest in Digital Assets and seed venture capital investments by acquiring, holding, and disposing of convertible debt, convertible equity and equity securities issued by private companies whose primary business is related to Digital Assets. The Adviser may delegate the validation rights associated with Digital Assets (but not ownership of the Digital Assets) to unaffiliated third-party validators that provide a percentage of the staking rewards that they earn to the Private Funds in return for such delegation, if the Adviser, in its good faith judgment, determines that such investments meet the Private Funds' investment criteria and are appropriate for the strategy. The Adviser has policies and procedures for evaluating third party validators and staking Digital Assets.

**Uncertain Regulated Nature of Virtual Assets.** Regulation of Virtual Assets continues to evolve in the United States and foreign jurisdictions. Regulatory actions could negatively impact Virtual Assets in various ways, including, for purposes of illustration only, through a determination that one or more Virtual Assets are regulated financial instruments that require registration or licensing. The Adviser may cease operations in a jurisdiction in the event that regulatory actions, or changes to law or regulation, make it illegal to operate in such jurisdiction, or commercially undesirable to obtain the necessary regulatory approval(s) to operate in such jurisdiction.

**The Loss or Destruction of A Private Key Required to Access Virtual Assets May Be Irreversible.** Adviser's loss of access to private keys—or any other data loss concerning Virtual Assets—could have a material adverse effect on its business. Virtual Assets include, without limitation, Bitcoin, Ether, and other cryptocurrencies and other cryptographic tokens. Virtual Assets are controllable only by those who know the unique private cryptographic key relating to the network address at which the applicable Virtual Assets are held. Adviser is required by the operation of many blockchain networks to publish the addresses concerning Virtual Assets in use by investors. To the extent a private key is lost, destroyed or otherwise compromised and no backup of the private key is accessible, the Adviser may not be able to access the Virtual Asset associated with the corresponding address and the private key will not be capable of being restored by the network. Any loss of private keys relating to digital wallets used to store Virtual Assets could have a material adverse effect.

**Changing Economic Conditions.** The success of the Adviser's investment strategy could be significantly impacted by changing external economic conditions in the United States and global economies. The stability and sustainability of growth in global economies may be impacted by terrorism or acts of war. Changing economic conditions could potentially adversely impact the valuation of portfolio holdings.

**No Assurance of Returns.** There can be no assurance that the Investor will receive distributions in an amount equal to its investment. The timing of profit realization, if any, is highly uncertain.

**Difficulty in Valuing Portfolio Investments.** Generally, there will be no readily available market for a substantial number of the investments and, as a result, most of the investments will be difficult to value. Despite the Adviser's efforts to acquire sufficient information to monitor certain of the investments and make well-informed valuation and pricing determinations, the Adviser may only be able to obtain limited information at certain times. It is possible that the Adviser may not be aware on a timely basis of material adverse changes that have occurred with respect to certain of the Private Funds' investments. The Adviser may have to make valuation determinations without the benefit of an adequate amount of relevant information. Prospective investors should be aware that as a result of these difficulties, as well as other uncertainties, any valuation made by the Adviser may not represent the fair market value of the securities acquired.

**Competitive Marketplace.** The marketplace for venture capital investing has become increasingly competitive. Involvement by financial intermediaries has increased, substantial amounts of funds have been dedicated to making investments in the private sector and the competition for investment opportunities is at very high levels. Some of the Adviser's potential competitors may have more relevant experience, greater financial resources and more personnel than the Adviser. There can be no assurances that the Adviser will locate an adequate number of attractive investment opportunities. To the extent that the Advisor encounters competition for investments, returns to the Investor may vary.

**Concentration of Investments.** The Adviser anticipates participating in a limited number of investments principally in private companies focused on blockchain technology. A downturn of the economy or in the business of any one portfolio investment could impact the aggregate returns delivered to the investors. Although the Adviser intends to diversify the strategy to the reasonable extent possible within the confines of the Adviser's investment strategy, the inability of the Adviser to achieve this objective could adversely affect the performance of the strategy. As a result, the Adviser's investment portfolio could become highly concentrated, and the performance of a few holdings may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Private Funds may invest in fewer companies and thus be less diversified.

**Minority Investments.** The vast majority of the investments are expected to be minority stakes in privately held companies. In addition, during the process of exiting investments, the Adviser is highly likely to hold minority equity stakes if portfolio holdings are taken public. As is the case with minority holdings in general, such minority stakes that the Adviser may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded to majority or controlling stakes. The Adviser may also invest in companies for which the Adviser has no right to appoint a director or otherwise exert significant influence. In such cases, the Adviser will be significantly reliant on the existing management and board of directors of such companies, which may include representatives of other financial investors with whom the Adviser is not affiliated and whose interests may conflict with the interests of the Investor.

Although it is expected that appropriate rights generally will be sought to protect the Investor's interests, to the extent possible, there can be no assurance that such minority shareholder rights will be available. The Adviser expects to make investments in companies that have incurred or are permitted to incur indebtedness, or that may issue equity securities that rank senior to the Investor's investment. By their terms, such instruments may provide that their holders are entitled to receive payments of dividends, interest, or principal on or before the dates on which payments are to be made in respect of the Investor's investment. In the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a company in which an investment is made, creditors or holders of securities ranking senior to the Investor's investment in such portfolio company typically would be entitled to receive payment in full before distributions could be made in respect of the Investor's investment. After repaying creditors and senior security holders, the company's remaining assets may not be sufficient for repayment of amounts owed in respect of the Investor's investment. To the extent that any assets remain, holders of claims that rank equally with the Investor's investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets.

**No Assurance of Additional Capital for Investments.** After the Adviser has financed a company, continued development and marketing of products may require that additional financing be provided. In particular, high technology companies are typically funded over several stages of investment. No assurance can be made that such additional financing will be available, and no assurance can be made as to the terms upon which such financing may be obtained. Alternatively, the Adviser, either directly or through one of its portfolio investments, may elect to sell developed or undeveloped technology to existing companies. No assurance can be made that buyers for such technology can be located or that the terms of any such sales will be advantageous.

**Need for Follow-On Investments.** Investors may be called upon to provide follow-on funding to its portfolio companies or may have the opportunity to increase its investment in a portfolio company. Although the Adviser may use Capital Commitments to make follow-on investments, there is no

assurance that investors will wish to make such follow-on investments or that investors will have sufficient capital to do so. Accordingly, third-party sources of financing may be required, but there is no assurance that such additional sources of financing will be available, or, if available, will be on terms favorable to existing investors. The investor's decision not to make a follow-on investment or its inability to do so may have an adverse impact on such portfolio company in need of such an investment or may diminish the proportionate ownership in such company and thus its ability to influence such portfolio company's future development, and it could have a significant negative impact on the investor's investment therein.

**Projections.** Projected operating results of a portfolio company in which the Adviser invests normally will be based primarily on financial projections prepared by such company's management. In all cases, projections are only estimates of future results that are based upon assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

**Leverage.** To the extent that any investment is made in a portfolio company with a leveraged capital structure or any portfolio company borrows or enters into other financing transactions requiring periodic payments, such investment will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a severe downturn in the economy or deterioration in the condition of such company or its industry. If such a company is unable to generate sufficient cash flow to principal and interest payments on its indebtedness, the value of any equity investment in such company could be significantly reduced or even eliminated.

**Bridge Financing.** The Adviser may lend to portfolio investments on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in the Adviser's control, such long-term securities may not issue and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Adviser.

**Limitations On Ability to Exit Investments.** The Adviser expects to exit from its investments in two principal ways: (i) private sales (including acquisitions of its portfolio investments) and initial and secondary public offerings. At any particular time, one or both of these exits may not be open to the investors, or timing with respect to these exit mechanisms may be inopportune. As such, the ability to exit from and liquidate portfolio holdings may be constrained at any particular time.

**Investments Longer than Term.** The Adviser may make investments that may not be advantageously disposed of prior to the date that a fund will be dissolved, either by expiration of

the fund's term or otherwise. Although the Adviser expects that the fund's investments will either be disposed of prior to dissolution or be suitable for in kind distribution at dissolution, the fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

**Potential Liabilities.** In connection with its investments, the Adviser may negotiate the right to appoint one or more of the investment professionals of the Adviser as a member of the portfolio investment's board of directors. Such membership on the board of directors of a company can result in the individual director being named as a defendant in litigation. Typically, portfolio investments will have insurance to protect directors and officers, but this insurance may be inadequate. The fund will also indemnify the Adviser and its managing member, among others, for liabilities incurred in connection with operations of the fund, including liabilities arising from such suits. Such indemnification obligations and other liabilities could be substantial.

**Contingent Liabilities on Disposition of Investments.** In connection with the disposition of an investment in a portfolio investment, the fund may be required to make representations about the business and financial affairs of such company typical of those made in connection with the sale of a business. The fund may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Adviser may establish reserves and escrows. In that regard, distributions may be delayed or withheld until such reserve is no longer needed or the escrow period expires.

**Absence Of Liquidity and Public Markets.** The investments will generally be private, illiquid holdings. As such, there will be no public markets for the securities held by the fund and no readily available liquidity mechanism at any particular time for any of the investments held by the fund. In addition, the realization of value from any investments will not be possible or known with any certainty until the Adviser elects, in its sole discretion, to sell the fund's investments.

**No Market; Illiquidity of Interests.** An investment will be illiquid and involves a high degree of risk. There is no public market, and it is not expected that a public market will develop. Consequently, the Investor will bear the economic risks of its investment for the term of the investment.

**Limited Portfolio Diversification.** As is typical of venture capital firms, the portfolio holdings will not be broadly diversified. A downturn of the economy or in the business of any one company could impact the aggregate returns delivered to the Investor.

**Tax Risks.** No assurances can be given that current tax laws, rulings and regulations will not be changed during the life of the investment. Any such changes may be applied with retroactive effect. Moreover, the interpretation and application of tax laws and regulations by certain tax

authorities may not be clear, consistent or transparent. Uncertainty in the tax law may require the investor to accrue potential tax liabilities, even in situations where the investor does not expect to be ultimately subject to such tax liabilities. Moreover, accounting standards and/or related tax reporting obligations may change, giving rise to additional accrual and/or other obligations.

**Cybersecurity Risk.** External cybersecurity breaches, including unauthorized access to systems, networks or devices (such as through “hacking” activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality, may occur. In addition, internal incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems (“denial of services”), loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Private Funds, the Adviser, the Management Company or other service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. In addition, such incidents could affect the Private Funds’ portfolio companies, and thereby adversely affect the Private Funds’ returns.

#### Risks Related to the Structure of the Private Funds

**Reliance on the Adviser.** The Adviser will have sole discretion over the investment of the funds committed as well as the ultimate realization of any profits. As such, the pool of funds represents a blind pool of funds. The Investor will be relying on the Adviser to conduct the business as contemplated. There can be no assurance that the managing member of the Adviser will be able to duplicate prior levels of success. The loss of the managing member of the Adviser could have a significant adverse impact on the business and its financial performance.

**Future and Past Performance.** The prior performance of the managing member and his investments is not necessarily indicative of the future results. While the Adviser intends to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurance that targeted results will be achieved. Loss of principal is possible on any given investment.

**No Assurance of the Adviser’s Success in Locating or Investing in Portfolio Companies.** There can be no assurance the Adviser will be able to locate suitable investments for the investor. Although the Adviser will attempt to make investments that meet the criteria set forth in the investment guidelines, there is no assurance that such investments can be located. Market and other conditions may require the Adviser to make investments that offer a lower rate of return or involve a higher degree of risk.



**Legal And Regulatory Risks.** The Adviser's funds are not and do not expect to be registered as an "investment company" under the Investment Company Act, pursuant to an exemption set forth in Sections 3(c)(1) and/or 3(c)(7) of the Investment Company Act. There is no assurance that such exemptions will continue to be available. Due to the burdens of compliance with the Investment Company Act, the performance of the investment portfolio could be materially adversely affected, and risks involved in financing portfolio investments could substantially increase, if a fund becomes subject to registration under the Investment Company Act. Neither the Adviser nor its counsel can assure investors that, under certain conditions, changed circumstances, or changes in the law, the fund may not become subject to the Investment Company Act or other burdensome regulation.

#### Conflicts of Interest

**The Adviser May Serve as Adviser to Future Funds.** The Adviser and/or its affiliates may serve as Adviser or management company to other pooled investment vehicles or other accounts in the future. Such pooled investment vehicles may have investment objectives, programs, strategies and positions that are similar to or may conflict with those of existing funds, or may compete with, or have interests adverse to, existing funds.

The Adviser may give advice or take actions with respect to the investments and transactions of its other clients that may differ from the advice given or the timing or nature of any action taken with respect to transactions due to a variety of differences, such as regulatory and tax issues and differences in investment programs. Conflicts of interest may also arise when the Adviser advises the Client with respect to matters where the interests of the Adviser or one or more of its other clients differs from the interests of that Client.

**Other Activities and Time Demands on the Adviser.** The Adviser, the managing member and its affiliates will act in good faith to accomplish the investment objectives and will devote as much of their time to the activities as they deem necessary and appropriate.

**Carried Interest.** The Adviser may receive the Carried Interest in connection with the performance of a Private Fund's investments. The existence of the Adviser's Carried Interest creates an incentive for the Adviser to make riskier and more speculative investments on behalf of the Private Fund than it might otherwise make in the absence of such performance-based compensation.

**Effect of Fees and Expenses on Returns.** Investors in each Private Fund will pay a Management Fee and will bear the expenses related to the operations of the Private Fund in which they are invested. Such fees will reduce the actual returns to investors. Fees and expenses will be paid regardless of whether the Private Fund produces positive investment returns. If the Private Fund does not produce significant positive investment returns, these fees and expenses

could reduce the amount of the investment recovered by an investor to an amount less than the amount invested.

### Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the investment adviser or the integrity of the investment adviser's management. The Adviser has no information applicable to this Item.

### Item 10 – Other Financial Industry Activities and Affiliations

Other than the general partners to the Private Funds named Schedule D, Section 7.A of the Advisers Form ADV, there are no financial industry affiliates to disclose. Neither Adviser nor any management persons of Adviser are registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or is an associated person of any of the above.

## Item 11 – Code of Ethics

Adviser has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Adviser must acknowledge the terms of the Code of Ethics annually, or as amended.

Adviser anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Adviser has management authority to effect, and will recommend to investment advisory clients, the purchase or sale of securities in which Adviser, its affiliates and/or clients, directly or indirectly, have a position of interest. Adviser's employees and persons associated with Adviser are required to follow Adviser's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Adviser and its affiliates may trade for their own accounts in securities and Digital Assets which are recommended to and/or purchased for Adviser's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Adviser will not interfere with (i) making decisions in the best interest of Clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Adviser's clients. In addition, the Code of Ethics requires pre-clearance of many transactions, and restricts trading in close proximity to Client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Adviser and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Adviser's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Adviser will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

An investor in Adviser's Funds may request a copy of the firm's Code of Ethics by contacting [nick@1confirmation.com](mailto:nick@1confirmation.com).

## Item 12 – Brokerage Practices

Adviser generally has authority and discretion to select broker-dealers and to establish brokerage accounts with such broker-dealers to execute investment transactions initiated by Adviser and for the selection of the markets in which the transactions will be executed. In doing so, Adviser is not generally obligated to solicit competitive bids for each transaction, shall have no obligation to seek the lowest available commission cost to its clients, and may reject any request by a client or investor in a client for directed brokerage that Adviser reasonably believes to be inconsistent with its duty to seek to achieve best execution.

Adviser may negotiate commission rates and, in doing so, takes into account the financial stability and reputation of the broker, the quality of the investment research, investment strategies, special execution capabilities, clearance, settlement, custody, recordkeeping and other services provided by such broker, even though a client may or may not in any particular instance be the direct or indirect beneficiary of the research or other services provided.

The Adviser also maintains policies and procedures related to selection and utilization of Digital Asset exchanges. Similar to selection of brokers or dealers, the Adviser's takes into account all factors deemed relevant to a Digital Asset exchange's execution capability, including but not limited to, cybersecurity of the exchange, reputation and experience, and any related custody solutions offered by the exchange.

The Adviser does not receive "soft dollars" in connection with its use of broker-dealers.

### Item 13 – Review of Accounts

The Adviser closely monitors the Private Funds' investments. The portfolios are reviewed by the Adviser on a periodic basis.

Investors in Adviser's private fund receive reports from the fund's administrator pursuant to the terms of each fund's subscription documents or as otherwise described in the offering document of the fund.

#### Item 14 – Client Referrals and Other Compensation

Adviser does not, nor do its principals or employees, receive any economic benefit from non-clients for providing advisory services to its clients, nor does Adviser provide compensation, directly or indirectly, to any person who is not a supervised person for client referrals.



## Item 15 – Custody

Adviser is deemed to have custody of Client assets because it acts as the General Partners to its Clients. The securities and cash are held in the name of the Client, or in an account for the benefit of such Client, by an independent qualified custodian. Alternatively, the securities and cash are held by private, uncertificated securities recorded on the books and records of the issuer in the name of a client or fund.

Adviser obtains custodial services for securities and cash on behalf of its clients through a “qualified custodian,” as defined in Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and the qualified custodian maintains custody of each Client’s funds and securities in a separate account for such Client.

Adviser utilizes the services of Coinbase, Kraken and Bitgo in order to custody its Digital Assets on behalf of its clients. Adviser believes that these digital asset custodians satisfy the definition of “qualified custodian,” as defined in Rule 206(4)-2 of the Advisers Act, however, at this time, the SEC has not confirmed its approval of the status of any such custodian of Digital Assets as a “qualified custodian.”

There are a limited number of types of Digital Assets for which no “qualified custodian” has the technical capability to custody. For any such Digital Assets, Adviser maintains direct custody over such Digital Assets on behalf of its Clients. Until such time as a “qualified custodian” develops the technical capability to custody any such Digital Assets, Adviser intends to adhere to industry best practices for direct custody of Digital Assets.

At the end of each fiscal year, each of the Clients has its financial statements examined and certified by an independent certified public accountant. Copies of the audited financial statements are furnished to each Limited Partner in a Client after the end of each fiscal year. Unaudited quarterly capital account statements will be provided to each Limited Partner in a Client.

## Item 16 – Investment Discretion

Adviser has discretionary management authority for its Clients. While the General Partner of a Client is responsible for the management, policies and operations of such Client, such General Partner grants authority to Adviser to manage and/or make investment recommendations and monitor investments. In all cases, however, this discretion is to be exercised in a manner consistent with the investment strategy and objectives of the relevant Client.

As the investment manager for the Clients, Adviser has broad discretion to determine the:

- portfolio companies to be bought or sold for the Clients' accounts;
  - size of the investment in a portfolio company to be bought or sold for the Clients' accounts;
  - broker or dealer to be used for a purchase or sale of securities for the Clients' accounts; and
  - commission rates to be paid to a broker or dealer for the Clients' securities transactions.
- Each investor authorizes such discretion in each Client's Governing Documents.

### Item 17 – Voting Client Securities

As a matter of firm policy and practice, Adviser does not have any authority to and does not vote proxies on behalf of Private Funds.

## Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. The Adviser has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of a bankruptcy proceeding.