

**FORM ADV PART 2A: FIRM BROCHURE**

**Collab+Currency Management, LLC**

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**March 26, 2024**

This brochure (this “Brochure”) provides information about the qualifications and business practices of Collab+Currency Management, LLC. If you have any questions about the contents of this Brochure, please contact us at (914) 226-0653. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Registration as an investment adviser does not imply that Collab+Currency Management, LLC or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Additional information about Collab+Currency Management, LLC is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2. Material Changes**

The Firm's Brochure was updated since its last annual amendment on March 29, 2023, to reflect updates in regulatory assets under management in Item 4 and additional risk factors related to digital assets in Item 8. Item 15 was updated for additional clarification relating to the custody of digital assets.

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#### Item 4. Advisory Business

Collab+Currency Management, LLC (“we,” “us,” “our” or the “Adviser”) is a Delaware Limited Liability Company that was formed in April 2020. We are principally owned and controlled by Stephen McKeon and Derek Schloss.

We provide discretionary investment advice to private funds (each a “Fund” or collectively, the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”). Each Fund has a general partner that is affiliated with the Adviser, each referred to as a “general partner.” In the future, we may also provide investment advice to additional private funds and separately managed accounts for institutional, non-retail investors (“SMAs”). References throughout this document to “clients” refer to the Funds and any other private funds and SMA’s that we may advise in the future. Investors in the Funds advised by the Adviser, including prospective investors, are referred to herein as “investors”.

The Funds include venture capital funds and other private funds that invest in digital assets and digital asset-related startup entities and projects, referred to herein as “portfolio companies.” Each Fund is managed in accordance with its investment objectives, as described in its respective offering documents and governing agreements, as well as side letters with investors (if any) (together, the “Governing Documents”). Investment advice is provided directly to the Funds, subject to the discretion and control of the applicable general partners, and not individually to the investors in the Fund.

We do not participate in wrap fee programs.

As of December 31, 2023, we managed approximately \$485,272,582 of regulatory assets under management on a discretionary basis. We do not manage any assets on a non-discretionary basis.

#### Item 5. Fees and Compensation

We generally receive management fees, carried interest, and other additional compensation from portfolio companies in connection with our advisory services. An investor or prospective investor may refer to the Governing Documents for information regarding fees.

##### Management Fees

We are paid management fees from the Funds as described in the Governing Documents. These management fees are paid quarterly in advance and are deducted from the assets of each Fund. The management fees are based on a percentage of committed capital, and this percentage is reduced over time based on specific events as outlined in the Governing Documents. The management fee received from the Funds may be up to two and a half percent (2.5%) *per annum*. The management fee will also be pro-rated for any partial periods. We have the ability to waive or modify the management fee payable with respect to certain investors, including employees.

We are entitled to receive director’s fees, consulting and advisory fees, commitment fees, monitoring fees, break-up fees, broken deal fees, transaction fees and success fees or other remuneration (including any options, warrants or other equity securities but excluding reimbursement of expenses) paid during such year by certain portfolio companies held by the Funds. Such fees offset the management fee one hundred percent (but not below zero). If any portfolio company remuneration is paid by a portfolio

company held by multiple Funds, the fees offset the portion of the Fund's management fee based on the relative amount invested by the Fund.

### **Carried Interest**

The general partner for each Fund is entitled to receive carried interest distributions from the relevant Fund. Carried interest is a performance-based form of compensation in which a general partner is entitled to receive a specified share of the profits earned by each Fund after its investors have been returned one hundred percent of their capital contributed to the Funds plus a preferred return. Limited partners and prospective limited partners are encouraged to carefully review the Governing Documents for each Fund for details on how the carried interest is determined for such Fund.

### **Expenses**

In addition to the management fee and carried interest, the Funds bear certain expenses as outlined in the Governing Documents. Please review the Governing Documents for each Fund for a detailed description of expenses such Fund will bear. Generally, Fund expenses include, without limitation, organizational expenses; all costs and expenses incurred in the holding, purchase, sale or exchange of assets (whether or not ultimately consummated), including, but not by way of limitation, placement fees, finder's fees, interest on and fees and expenses arising out of real property or personal property taxes on investments, including documentary, recording, stamp and transfer taxes, brokerage fees or commissions or discounts, fees paid to centralized and decentralized Digital Asset Exchanges (as defined below), market makers and other liquidity providers, or other similar charges incurred in connection with the purchase or sale of investments (including any merger fees payable to third parties and whether or not any such purchase or sale is consummated), marketing fees, advertising fees, printing fees, wholesaling fees, and investor-related services and other similar costs, travel and travel-related expenses in connection with the investment activities of a Fund, legal fees and expenses, expenses incurred in connection with the investigation, prosecution or defense of any claims by or against a Fund, including claims by or against a governmental authority, audit and accounting fees, fees for outside appraisers and independent asset valuations services, costs of financial statements and other reports (including Schedule K-1s) to, and other communications with, investors in a Fund whether physical or electronic (including software used to electronically distribute such reports and other communications), expenses associated with making capital calls from, and distributions to, investors, including fees and expenses of information technology used to facilitate all such activities, as well as costs of all governmental returns, reports and filings and similar fees paid on behalf of a Fund, including reimbursements of any fees and expenses to advisers, service providers and other third parties, expenses associated with a Fund's compliance with applicable laws and regulations, including regulatory filings as they relate to a Fund's activities, including all fees and expenses relating to compliance with tax, securities law or other legal or regulatory requirements applicable to a Fund or their investors (including the offering and sale of interests in a Fund in any jurisdiction, including any such obligations arising under the Alternative Investment Fund Managers Directive or the securities law of any jurisdiction, or from managing compliance with FATCA or similar regimes), out-of-pocket costs and expenses, if any, associated with any third-party examination or audits (including similar services) of a Fund, the Adviser, a general partner or their affiliate that are attributable to the operation of a Fund or requested by one or more investors in a Fund, all fees and expenses relating to establishing any credit facility and all fees and expenses related to any borrowings under any credit facility or other borrowings by a Fund, including any interest expense for borrowed money as well as financing, commitment, origination and similar fees and expenses, expenses of loan servicers and other service providers, governmental registration, filing and licensing costs and fees relating to a Fund, the general partners and the Adviser, expenses attributable to normal and extraordinary investment banking or commercial banking, costs and expenses incurred for research services and publications, including legal

fees for investment-related research, banking, and consulting fees relating to investments or proposed investments, costs and expenses for software, subscriptions for data and information services and other databases for purposes of sourcing, monitoring and valuing investments (including research-related software and cloud storage, research related protocols and mining applications for Digital Assets, as defined in Item 8. below, developed internally or by third parties), information technology system expenses (including the costs of acquiring, developing, implementing and maintaining specialty and custom computer software and hardware and other technological systems for the benefit of a Fund, its investors, or a portfolio investment or potential investment), the cost of any physical security or cybersecurity consultants retained to onboard or monitor service providers or to consult regarding the physical security or cybersecurity defenses of the Adviser, its affiliates, and a Fund (which will be subject to an expense cap, with any excess amount being paid by the Adviser), taxes applicable to a Fund on account of their operations, fees and expenses incurred in connection with the maintenance of bank or custodian, depository or trustee accounts (including “hosted wallet” services for Digital Assets) and costs and expenses related to self-custody solutions for Digital Assets, investment-related expenses for co-investment vehicles and co-investment vehicle investments that are not consummated, and all expenses incurred in connection with the registration of the securities held by a Fund under applicable laws or regulations. The Funds will also bear expenses incurred by a general partner in serving as a partnership representative, any sales or other interest, taxes, fees, duties, penalties or other government charges which may be assessed against a Fund, the cost of liability and other premiums for insurance (including cyber-insurance) protecting a Fund, the general partners, the Adviser, the advisory committee, and their respective direct or indirect partners, members, stockholders, managers, managing directors, officers, directors, trustees, employees, agents or affiliates in connection with the activities of a Fund, all out-of-pocket expenses of preparing and distributing reports to investors, out-of-pocket expenses associated with communications with investors, including preparation and distribution of annual, quarterly or other reports to the investors, costs and expenses associated with Funds’ meetings or meetings with any investors (including set-up costs, speaker fees, honoraria, dining, entertainment, travel and travel-related costs and expenses), whether individually or in a group, events for investors or advisory committee matters (including legal counsel, accountants, auditors, financial advisors or any other advisors or experts retained to assist the advisory board and other expenses incurred in connection with advisory board action), expenses of the members of the advisory committee (including set-up costs, speaker fees, honoraria, dining, entertainment, travel and travel-related costs and expenses), the costs and expenses associated with attending, participating in or sponsoring industry conferences and marketing expenses for trade associations, even if such expenses are not related to a specific transaction (including the evaluation of potential investments, regardless of whether such investment is ultimately consummated), all legal, accounting, tax, audit, consulting and professional services fees and expenses (including tax preparation and public relations) relating to a Fund and its activities, bookkeeping services, fees and expenses relating to outsourced finance, reporting, third party administrator (including maintaining the books and records of a Fund, including any related internal costs that the Adviser or a general partner may incur to produce any such books and records or external costs for a third party administrator to maintain and oversee a Fund’s books and records), accounting, risk management assessment and back-office and administrative services for a Fund and any vehicles or any intermediary or special purpose entity used to acquire, hold or dispose of an investment or to otherwise facilitate a Fund’s investment activities, expenses for staking services, and extraordinary administrative or operating expenses, including, without limitation, all fees, costs and expenses relating to litigation and threatened litigation involving a Fund, including a Fund’s indemnification obligations, arbitration expenses, all liquidation costs, fees, and expenses incurred by a general partner (or its designee) in connection with the liquidation of a Funds and general partner at the end of a Fund’s term, specifically including but not limited to legal and accounting fees and expenses, and all

expenses that are not normal and recurring operating expenses of a Fund, any other fees and expenses approved by the advisory committee, expenses associated with a Fund, and other similar fees and expenses, as well as any other fees or expenses incurred by the Adviser, the general partners or their affiliates or a Fund in connection with a Fund's operations that are not specifically set forth above as being paid by the Adviser or the general partners or their affiliates.

In addition, Collaborative Fund Management LLC, an associated investment adviser, provides certain back-office services to us or the Funds, see *Item 10 – Other Financial Industry Activities and Affiliations*. In exchange for such services, Collaborative Fund Management LLC is entitled to earn a monthly fee. Such fee is paid by us and is not paid by the Funds.

For a more detailed discussion of brokerage and transaction costs, see *Item 12 - Brokerage Practices* and for a more detailed discussion of the conflicts of interest associated with fees and expenses, see *Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading*.

#### **Item 6. Performance-Based Fees and Side-By-Side Management**

As noted under Item 5, the general partner for each Fund is entitled to receive carried interest distributions from the relevant Fund. Performance-based compensation arrangements create an incentive for us to recommend high-growth investments. At times, these investments may be riskier or more speculative than those that would be recommended under a different compensation arrangement. Performance-based compensation arrangements also create an incentive for us to favor clients with higher performance-based compensation rates over other clients when allocating investments, time, services or functions.

Generally, and except as may be otherwise set forth in the Governing Documents of the Funds, this conflict is mitigated, at least in part, by (i) certain limitations on the ability of the Adviser to establish new investment funds, (ii) contractual provisions requiring certain funds to purchase and sell investments contemporaneously and/or (iii) contractual provisions and procedures setting forth investment allocation requirements as described in Item 11. To address this conflict, we endeavor to make investment recommendations and decisions based on the best interest of our clients, regardless of compensation arrangements, in accordance with our Code of Ethics, as discussed in Item 11.

The Adviser will only charge a performance allocation in accordance with all applicable laws and regulatory requirements under the "Investment Advisers Act".

#### **Item 7. Types of Clients**

Investors in the Funds are generally "accredited investors" within the meaning of Rule 501(a) under the Securities Act of 1933, as amended, "qualified clients" within the meaning of Rule 205-3 under the Investment Advisers Act, and/or "qualified purchasers" within the meaning of Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "Investment Company Act")., and may include, e.g., non-profits, funds of funds, pension plans, endowments, other institutional investors, family offices, and high net worth individuals. The Adviser does not have a minimum size for a Fund commitment, but minimum investment commitments may be established in the future for investors in the Funds by the general partner of each such fund. If the Adviser imposes a minimum investment amount for any Fund, the minimum investment in such Fund is outlined within the respective Fund's Governing Documents.

However, any minimum investment amounts for a Fund may be waived at our discretion.

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

### *Methods of Analysis and Investment Strategies Generally*

The Funds will generally seek to invest in (i) early-stage emerging technology companies and (ii) decentralized application tokens and protocol tokens, blockchain-based assets and other cryptofinance and digital assets.

**Investing in securities involves risk of loss that clients and investors should be prepared to bear.**

### *Risk Factors*

An investment in each Fund will be speculative and will involve a high degree of risk. There can be no assurance that the investment objectives of any Fund will be achieved or that an investment in a Fund will generate positive returns. A Fund may lose all or a substantial portion of its investments, and investors in the Funds must be prepared to bear the risk of a complete loss of their investments. The Funds will have substantial limitations on investors' ability to withdraw or transfer their interests or shares, and no secondary market for the Funds' interests or shares exists or is expected to develop. All of these risks, and other important risks, are summarized below. Prospective limited partners are strongly urged to review the applicable Governing Documents and consult with their own financial, legal and tax advisers before investing in a Fund.

### **General**

An investment in a Fund is highly speculative, involves a high degree of risk and could result in the loss of part or all of an investor's capital contribution. Therefore, prospective investors should not subscribe for limited partnership interests in a Fund unless they can bear such a loss, including a loss of their entire investment. Moreover, there can be no assurance that the Funds' investment objectives will be achieved and investment results may vary materially from one reporting period to the next. Consequently, an investment in a Fund is suitable only for sophisticated investors with other substantial assets who are capable of making an informed independent decision as to the risks involved in an investment in a Fund.

### **General Economic and Market Conditions**

The success of the Funds' investments may be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, currency exchange rates and controls and national and international political circumstances (including wars, terrorist acts or security operations), and pandemics or other severe public health events. These factors may affect the level and volatility of security prices and the liquidity and the value of the securities held by the Funds. Unexpected volatility or illiquidity could impair the Funds' profitability or result in it suffering losses.

### **Epidemics, Health Risks and COVID-19**

The extent to which any disease outbreak, including COVID-19, will impact the Funds will depend on many factors beyond the control of the general partners and the Adviser, including the speed of contagion, the development and implementation of effective preventative measures and possible treatments, the scope of governmental and other restrictions on travel and other activity and public reactions to these factors.



Any plans and preparations for such eventualities may not be adequate or effective for their intended purpose.

### ***Nature of Fund Investments***

The portfolio companies in which the Funds (each, a “Portfolio Company” and together, the “Portfolio Companies”) will invest are likely to face intense competition, including competition from companies with greater financial resources, more extensive development, production, marketing and service capabilities and a larger number of qualified managerial and technical personnel. There can be no assurance that the development or marketing efforts of any particular Portfolio Company will be successful or that its business will be profitable.

There may be little or no publicly available information regarding the status and prospects of Portfolio Companies. Many investment decisions by the Adviser will be dependent upon the ability of its members, directors and agents to obtain relevant information from non-public sources, and the Adviser often will be required to make decisions without complete information or in reliance upon information provided by third parties that is impossible or impracticable to verify.

Some of the Funds’ Portfolio Companies may be unseasoned, unprofitable or have no established operating history or earnings and may lack technical, marketing, financial and other resources. These companies may be dependent upon the success of one product or service, a unique distribution channel, or the effectiveness of a manager or management team. The failure of this one product, service or distribution channel, or the loss or ineffectiveness of a key executive or executives within the management team may have a materially adverse impact on such companies. Furthermore, these companies may be more vulnerable to competition and to overall economic conditions than larger, more established entities. There is no assurance that the development efforts of any Portfolio Company will be successful or, if successful, will be completed within the budget or time period originally estimated.

Following its initial investment in Portfolio Companies, the Funds anticipate that Portfolio Companies will require additional funding, and that a Fund may have the opportunity to increase its investment in successful Portfolio Companies. There can be no assurance that the Funds will make, or will have the resources to make, follow-on investments. Any decision by a Fund not to make follow-on investments, or its inability to make them, may have a substantial adverse effect on a Portfolio Company in need of such an investment, may result in a missed opportunity for a Fund to increase its participation in a successful enterprise, may result in significant dilution of any existing Portfolio Company investment, or may cause a decrease in the value of a Fund’s portfolio.

### ***Competition for Investments***

The business of identifying and structuring investments of the types contemplated by the Fund is competitive and involves a high degree of uncertainty. The Fund expects to encounter intense competition from other entities and investors that have investment objectives similar to that of the Fund.

There is no assurance that the Fund will succeed in finding investments on similar or favorable terms in comparison to its competitors.

### ***Investment in Junior Securities***

The securities in which the Funds may invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

### ***Long Term Investment/Illiquidity***

An investment in a Fund is a long-term investment. The inherent nature of venture capital and private equity investing dictates a significant length of time between the initial investment and realization of gains, if any. Such investments, if successful, typically take up to five years or more from the date of investment to reach a state of maturity where disposition is possible, and early and expansion stage investments in privately held companies can take even longer to reach liquidity. Investors must be able to bear the economic risks of an investment in a Fund for an indefinite period of time.

### ***Lack of Diversification***

The Funds' portfolios are expected to primarily be invested in companies in the blockchain and cryptocurrency sector, and Digital Assets, and may not be diversified among sectors and asset classes. The Funds aim to achieve significant capital appreciation principally through investments in early stage, technology-related companies in the blockchain and cryptocurrency sector and in cryptocurrencies and other similar Digital Assets. While the Funds may also invest in early-stage technologies companies outside of the blockchain and cryptocurrency sector the performance of the Funds are expected to be closely linked to the performance of such industries and the Funds could be severely impacted by adverse developments affecting them. There can be no assurance that the Funds will be able to find a sufficient number of attractive investments to enable the full amount of the capital committed to each Fund to be invested, or if such investments are made, that the objectives of the Funds will be achieved. The Funds have not adopted policies requiring that Portfolio Companies be geographically diversified; therefore, if several investments are concentrated in one geographic area, a Fund could be severely impacted by adverse developments affecting that geographic area.

### ***Digital Asset Investment Risks***

The Funds intend to provide investors with exposure to (i) equity, equity-related, crypto and crypto-related investments and (ii) decentralized application tokens and protocol tokens, blockchain-based assets, non-fungible tokens and other cryptofinance and digital assets, or instruments for the purchase of such assets ("Digital Assets"), whether issued in a private or public transaction. As used herein, "crypto" refers to instruments housed on, making use of, or connected to a blockchain through cryptographic ownership, including tokens and coins. The Funds may engage in "staking", network participation, liquidity provisioning and on-chain governance of crypto assets. The Funds may also invest indirectly through investment vehicles that may charge additional performance compensation and/or management fees that would be borne by the Funds. Digital Assets are a relatively new phenomenon and carry a number of specific risks that prospective investors should carefully consider before making an investment in a Fund. Because of the emerging nature of Digital Assets, there is little precedent to operation of investment vehicles such as the Funds.

Digital Assets, and the use of Digital Assets to buy and sell goods and services, are a relatively new and rapidly evolving concept. Digital Assets, which include digital currencies and digital tokens, are based on computer-generated mathematical and/or cryptographic protocols. Digital Assets are transferred over decentralized networks, where each transaction is recorded in a “blockchain.” A blockchain is a digital ledger that records transactions on multiple computers, which collectively constitute that Digital Asset’s network. This method of recordkeeping alleviates the need for a single, trusted third party intermediary because participants of that particular Digital Asset’s network can each individually act as a steward or record-keeper for the entire blockchain. Once a transaction is recorded in the blockchain, that transaction is theoretically immutable and cannot be reversed due to the cryptographic nature of the recordkeeping and the decentralized nature of the network.

The growth of Digital Assets in general is subject to a high degree of uncertainty. The factors affecting their further development include (i) their continued worldwide growth, adoption and use; (ii) government and quasi-government regulation of the use, creation and offering of Digital Assets, as well as restrictions on and regulation related to the operation of and access to a Digital Asset’s network; (iii) changes in consumer demographics and public tastes and preferences; (iv) the maintenance and development of the open-source software protocol of a Digital Asset’s network; (v) the availability and popularity of other forms or methods of buying and selling goods and services, including new means of using Digital Assets; and (vi) general economic conditions and the regulatory environment relating to Digital Assets.

### ***Regulatory Uncertainty of Cryptocurrencies***

As Digital Assets have grown in popularity and in market size, international, federal, state and local regulatory agencies have begun to take greater interest in them, and the rapidly evolving regulatory landscape applicable to Digital Assets and adoption of blockchain technologies is subject to significant uncertainty. Various legislative and executive bodies in the United States and other countries may in the future adopt laws, regulations or guidance or take other actions which may severely impact Digital Assets and portfolio companies focused on blockchain technologies and, in each case, the technology behind them. Failure by the Funds or the portfolio companies to comply with any such laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including preliminary and permanent injunctions, cease and desist orders, civil penalties and fines.

For example, in the case of virtual currencies, state regulators like the New York Department of Financial Services have created regulatory frameworks. Others, such as in Texas, have published guidance on how their existing regulatory regimes apply to virtual currencies. Some states, like New Hampshire, North Carolina and Washington, have amended their state’s statutes to add virtual currencies into existing licensing regimes. The treatment of virtual currencies continues to evolve under federal law as well. The Department of the Treasury, the U.S. Securities and Exchange Commission (the “SEC”) and the U.S. Commodity Futures Trading Commission (the “CFTC”), for example, have published guidance on the treatment of virtual currencies and have continued to pursue enforcement actions against certain issuers of cryptocurrencies and Digital Assets. Despite the guidance provided to date, however, in general, the regulation of Digital Assets under the current regulatory framework remains in its early stages, is evolving and is subject to significant uncertainty.

The imposition of regulatory restrictions on assets such as Digital Assets, or certain types of Digital Assets, could affect the value, liquidity and market price of those Digital Assets, by limiting access to marketplaces

or exchanges on which to trade such assets, or imposing restrictions on the structure, rights and transferability of such assets.

The regulation of non-currency use of certain types of Digital Assets is also uncertain. The CFTC has publicly taken the position that certain Digital Assets are commodities under the U.S. Commodities Exchange Act (the “CEA”), and the SEC has issued a public report stating federal securities laws require treating some Digital Assets as securities and has also initiated investigations and taken enforcement action against certain sales of and investment offerings involving Digital Assets. The SEC has also used its authority to investigate exchanges that list Digital Assets. To the extent that a domestic government or quasi-governmental agency exerts regulatory authority over a Digital Asset, the value of the investor interests may be materially and adversely affected. In addition, the Funds, the Adviser and the general partners are likely to be subject to regulatory and compliance requirements under U.S. federal securities laws, including with respect to the general partner, the Investment Advisers Act of 1940, as amended (the “Advisers Act”), with respect to Digital Assets that are deemed securities, as well as additional regulatory and compliance requirements under the CEA and CFTC regulations regarding Digital Assets deemed commodity interests.

Any future regulatory actions applicable to any Digital Assets, the activities or technology of the Funds’ portfolio companies and the Funds’ related activities could severely impact the Funds’ investments and the value of their portfolio companies. The Funds or their portfolio companies may need to cease certain activities, restructure their respective operations significantly or take other adverse actions to comply with any new regulation or guidance. These efforts could be costly and could involve fundamentally changing the nature of the Funds’ investments or require a Fund to restate its financial statements, which in turn could negatively affect the value of the investors’ interests. On the other hand, a failure to restructure for compliance adequately or quickly enough could result in regulatory action (such as investigations by a government or self-regulatory organization or government or private litigation or administrative actions) that would require the Funds or the portfolio companies to spend significant time and resources. It could also result in negative publicity. Regulatory change could even potentially result in the Digital Assets being viewed as violating applicable law, which could result in a need for the Funds or any of their portfolio companies to dramatically alter or cease activities. If regulatory changes impose additional obligations on the Funds, Digital Assets or portfolio companies, compliance with such obligations may be at such additional costs or expenses, or may negatively impact the utility or adoption of Digital Assets or blockchain technology that portfolio companies may abandon their business or terminate operations in a way that negatively affects the value of the investor interests and may limit the Funds’ ability to find new investment opportunities.

### ***Volatility of Cryptocurrencies and Cryptocurrency Derivatives***

Digital Asset prices are extremely volatile. The price of cryptocurrencies and Digital Assets is affected by many factors, including, but not limited to, global supply and demand, the expected future prices, inflation expectations, interest rates, currency exchange rates, fiat currency withdrawal and deposit policies at cryptocurrency exchanges, interruptions in service or failures of major cryptocurrency exchanges, investment and trading activities of large investors, monetary policies of governments, changes in the price of electricity, availability of hardware to support blockchain mining and staking functions, regulatory measures that restrict the use of cryptocurrencies, global political, economic, or financial events. Drastic or even gradual changes in price of cryptocurrencies and cryptocurrency derivatives could materially affect the Funds and may cause drastic fluctuations, on a daily basis, in the value of the Funds’ assets and the investors’ interests. Moreover, the price of cryptocurrencies may vary among exchanges,

and the value of Digital Assets as represented by one or more exchanges utilized by the Funds may be significantly higher or lower than other exchanges. There are many reasons for variation in price among exchanges, including supply and demand imbalances, regulatory restrictions based on the domicile of the exchange, or exchanges' policies on withdrawal or deposits. This variation among exchanges may be either temporary or permanent, and could have a material impact on the Funds.

### ***Risk of Cryptocurrency Software and Networks***

Cryptocurrencies are controllable only by the possessor of a private and public key pair relating to the digital wallet in which that the cryptocurrency is held. To the extent that the private key is lost, destroyed, or otherwise compromised (physically or through computer based "hacking"), the Funds may not be able to access the cryptocurrency and access to such cryptocurrency may be lost permanently, which would greatly inhibit the Funds' ability to generate positive returns. Digital Asset networks are informally managed by a development team known as the "Core Developers," which can propose changes to the network protocols and software. Additionally, decentralized protocols may be managed by a diverse or anonymous group of governance token holders that may have interests that do not align with the Funds' interests. If certain changes in the network protocol and software are widely accepted, it could adversely affect the Funds' positions in unexpected ways. Alternatively, if such changes are accepted by a significant, but not overwhelming, percentage of users and miners in the network, a "fork" in the blockchain may result, causing the operation of two separate networks, which may materially impact the Funds.

Cryptocurrency transactions are irreversible without the consent and active participation from the recipient of the transaction. Once a transaction has been verified and recorded on the blockchain, an incorrect transfer or theft of cryptocurrency will not be reversible and a Fund may not be able to seek compensation for such transfers or theft. There is a risk that all of such Fund's cryptocurrency could be lost, stolen or destroyed, either accidentally or on purpose. In addition, cryptocurrencies and cryptocurrency derivatives exchanges may have a socialized loss system or may automatically exit a Fund from certain positions (called automatic deleveraging) without notice.

### ***Risks of Open-Source Structure***

Many Digital Asset networks, including Bitcoin and Ethereum, operate on open-source protocols maintained by groups of core developers. The open-source structure of these network protocols means that certain core developers and other contributors may not be compensated, either directly or indirectly, for their contributions in maintaining and developing the network protocol. A failure to properly monitor and upgrade network protocol could damage Digital Asset networks. As these network protocols are not sold and their use does not generate revenues for development teams, core developers may not be directly compensated for maintaining and updating the network protocols. Consequently, developers may lack a financial incentive to maintain or develop the network, and the core developers may lack the resources to adequately address emerging issues with the networks. There can be no guarantee that developer support will continue or be sufficient in the future. To the extent that material issues arise with certain Digital Asset network protocols and the core developers and open-source contributors are unable or unwilling to address the issues adequately or in a timely manner, such Digital Asset networks, and any corresponding Digital Assets held may be adversely affected.

### ***Active Participation in Digital Asset Protocols May be Required, and May Present Risks***

Many new blockchain networks and protocols require that holders of Digital Assets actively participate in validating blockchain transactions or vote on updates, upgrades or changes to the protocol or related technology. In some circumstances, failure to participate in this way may cause a Fund's Digital Asset holdings to be diluted by new issuances of Digital Assets. Additionally, in order to participate fully and earn rewards for participation, prevent dilution or otherwise protect the value of the Funds' investments, the Funds may need to engage certain service providers or may delegate its vote or its Digital Assets to others within the network or protocol. If the Funds are not able to find suitable partners or service providers, or if the Funds do not have the technological capabilities to monitor and participate in the network or protocol, the value of the Digital Assets may decrease or the Funds' ability to earn or receive additional Digital Assets may be limited. Additionally, with certain Digital Assets or protocols, failure to participate may result in penalties or failure of a service provider or partner to perform services to the protocol and be ready and able to validate transactions or successfully operate a node may result in "slashing" penalties that may pass through to the Funds and result in the Funds losing some or all of their Digital Assets associated with that protocol or network.

### ***Proof of Stake and Staking Risk***

Certain Digital Asset networks operate on a system where only holders of the relevant Digital Assets (who are required to "pledge" an amount of their Digital Assets to a "smart contract" governing the network) may validate new blocks on the blockchain; these Digital Asset networks are said to use a "proof of stake" model and new blocks on the blockchain are sometimes said to be "verified" or "validated," as opposed to "mined." Digital Asset networks that use a proof of stake model typically reward validators with transaction fees (i.e., as opposed to a set reward of Digital Assets (e.g., a "block reward")). The process by which blocks are validated on proof of stake Digital Asset networks varies greatly, but typically new blocks are proposed by one holder of the Digital Assets (determined by an algorithm included in the smart contract governing the network) and agreed to by a consensus of other holders of the relevant Digital Asset. If validators demand higher transaction fees in exchange for validating new blocks in a Digital Asset blockchain, the demand for that Digital Asset and, accordingly, its value, may be adversely impacted.

A Fund may stake its Digital Assets by pledging them to a validator node operator, which may be a custodian or a third party. In doing so, the Funds will receive a portion of the transaction fees. Staking will be subject to additional risks, which will vary depending on the protocols that govern the networks. Digital Asset networks that currently operate on a proof of work basis may transition to a proof of stake model.

To the extent that a Fund delegates its staking power to its custodian or a third party, the Funds will be subject to liquidity risk. Staked assets cannot be moved until they are unstaked through an "unbonding period", the length of which can vary depending on a Digital Asset's protocol. Additionally, there can be no assurance that a validator node operator will remain fully operational while a Fund's Digital Assets are staked. If a validator node operator goes offline or becomes unavailable for validations, it will be subject to "slashing" which may result in a partial or complete loss of the Funds' pledged assets.

### ***Development and Acceptance of the Digital Asset Networks***

The growth and use of Digital Assets generally is subject to a high degree of uncertainty. Indeed, the future of the industry likely depends on several factors, including: (a) economic and regulatory conditions relating to Digital Assets; (b) government regulation of the use of and access to Digital Assets; (c)

government regulation of Digital Asset service providers, administrators or exchanges; and (d) the domestic and global market demand for, and availability of, other forms of Digital Assets. Banks and other established financial institutions may refuse to process funds for cryptocurrency transactions, process wire transfers to or from cryptocurrency exchanges, Digital Asset-related companies or service providers, or maintain accounts for persons or entities transacting in Digital Assets. Further, a Digital Asset may be hindered by the fact that it may not be considered a legitimate means of payment or legal tender in some jurisdictions. Any slowing or stopping of the development or acceptance of Digital Assets or a Digital Asset network may adversely affect an investment in a Fund.

### ***Many Digital Asset Networks Face Scalability Challenges***

Many Digital Asset networks face significant scaling challenges. As the use of Digital Asset networks increases without a corresponding increase in throughput of the networks, average fees and settlement times can become prohibitively high. Certain Digital Asset networks have been, at times, at capacity, which has led to increased transaction fees.

Increased fees and decreased settlement speeds could preclude certain use cases for Digital Asset (e.g., micropayments), and can reduce demand for and the price of Digital Asset, which could adversely impact an investment in a Fund.

Additionally, Digital Asset that rely on proof-of-work validation utilize substantial resources to power the network. The environmental drain may curb adoption and growth of Digital Asset.

There is no guarantee that any of the mechanisms in place or being explored for increasing the scale of settlement of Digital Asset transactions will be effective, or how long these mechanisms will take to become effective, which could adversely impact an investment in a Fund.

### ***Liquidity of the Cryptocurrency Market***

The market for some Digital Assets is smaller and less liquid than other assets. The Funds may materially move the market for cryptocurrencies when trading and may not be able to enter or exit positions profitably due to liquidity restrictions. The liquidity of cryptocurrency markets may affect the Funds. For all assets listed on an exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject the Funds to loss. Also, such a suspension could render it impossible for the Funds to sell their positions and, by extension, provide liquidity to investors. Additionally, if there is limited liquidity in a particular Digital Asset, the Funds' trading activity with respect to that Digital Asset may be subject to scrutiny by regulators or other holders of such Digital Asset, including potential claims of market manipulation if trades have the effect of moving the price of a limited-liquidity Digital Asset.

### ***Rule 144***

Rule 144 is an SEC rule that provides a securities law safe harbor for the public resale of restricted or control securities, but only if certain conditions are met (such as holding period requirements, which are typically six months to one year). In the event that Digital Assets acquired by a Fund in a Digital Asset Offering and Early-Stage Token Offering are securities, a Fund will be restricted from selling those

Digital Assets except through a private placement or after satisfying the Rule 144 holding period. Accordingly, the number of trading counterparties will be less than would be the case for a Digital Asset that is not a security (and thus not subject to the same restrictions on resale). Any sale of securities that violate securities laws may be subject to rescission of the transaction by the purchaser.

### ***Digital Asset Exchange and Custody Risk***

There are risks involved in dealing with the exchanges with whom the Funds may conduct business. Under certain circumstances, including certain transactions where the Funds' assets are held at non-U.S. Digital Asset Exchanges, the Digital Assets deposited with the exchange may not be clearly identified as being assets of the Funds, and hence the Funds could be exposed to a credit risk with regard to such parties. Additionally, such non-U.S. Digital Asset Exchanges may be unregulated or more lightly regulated than their U.S. counterparts. Additionally, there may be practical or timing issues associated with enforcing the Funds' rights to its assets in the case of an insolvency of any such party.

The Funds may maintain accounts with "Digital Asset Exchanges." Although the Adviser monitors the Digital Asset Exchanges and believes they or their affiliates are appropriate depositories, there is no guarantee that the Digital Asset Exchanges, or any other depositories that the Funds may use from time to time, will not become insolvent. There is no certainty that, in the event of a failure of a Digital Asset Exchange that has custody of a Fund's assets, such Fund would not incur losses due to its assets being unavailable for a period of time, ultimately less than full recovery of its assets, or both.

The Funds and/or the Digital Asset Exchanges may appoint sub-custodians in certain non-U.S. jurisdictions to hold the assets of the Funds. The Digital Asset Exchanges may not be responsible for cash or assets which are held by sub-custodians in certain non-U.S. jurisdictions, nor for any losses suffered by the Funds as a result of the bankruptcy or insolvency of any such sub-custodian.

The Funds may therefore have a potential exposure on the default of any sub-custodian and, as a result, many of the protections which would normally be provided to a partnership by a custodian will not be available to the Funds. Custody services in certain non-U.S. jurisdictions remain undeveloped and, accordingly, there is a transaction and custody risk of dealing in certain non-U.S. jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy in certain non-U.S. jurisdictions, the ability of the Funds to recover assets held by a sub-custodian in the event of the sub-custodian's bankruptcy would be in doubt.

The Adviser is registered as an investment adviser under the Advisers Act. The Advisers Act mandates that if a registered adviser has custody of client funds and securities, it must maintain them with a "qualified custodian." Given the characteristics of Digital Assets and the relative immaturity of the asset class, there are limited numbers of "qualified custodians" available at this time (if any). Difficulties in finding a "qualified custodian" could have a material adverse effect on the Funds, including potentially causing them to liquidate a substantial portion of the Funds' portfolios. There is also a risk that the SEC determines that certain custodians used are not, regardless of their representations to the contrary, "qualified custodians," which would potentially require the Adviser to move certain Digital Assets and/or subject it to regulatory action. The uncertainty and potential difficulties associated with this question and related questions could materially and adversely affect the Funds' asset management business. The Advisers Act and the Investment Company Act, together with related regulations and interpretations of the SEC, impose numerous obligations and restrictions on investment advisers, including requirements relating to the safekeeping of client funds and securities, limitations on advertising, disclosure and



reporting obligations, prohibitions on fraudulent activities, restrictions on certain transactions between an adviser and its clients, and between a fund and its advisers and affiliates, and other detailed operating requirements, as well as general fiduciary obligations.

### ***Government Oversight of Digital Assets and Digital Asset Exchanges***

FinCEN, the U.S. federal agency charged with administering U.S. anti-money laundering (“AML”) laws and regulations, has issued guidance, categorizing businesses serving as “administrators” and “exchangers” of certain categories of Digital Assets (i.e., convertible virtual currencies) as money services businesses. The FinCEN guidance defines an exchanger as “a person engaged as a business in the exchange of virtual currency for real currency, funds or other virtual currency” and an administrator as “a person engaged as a business in issuing (putting into circulation) a virtual currency and who has the authority to redeem (to withdraw from circulation) such virtual currency.” Users of convertible virtual currencies were not directly affected by the guidance. Since the issuance of its initial guidance, FinCEN has published additional administrative rulings and further guidance, providing additional information on whether certain conduct related to convertible virtual currency renders a person or entity a money transmitter under FinCEN regulations affirming its regulatory framework for virtual currencies. Under FinCEN’s regulations, a person or entity engaging in money transmission must register as a “money services business,” develop an AML program and adhere to federal reporting and recordkeeping requirements.

On the state level, companies that handle Digital Assets may also have to comply with the separate state licensing practices for money transmitters, and a growing number of states have sought specific legislation, adopted rules, or provided guidance on the regulation of Digital Assets. For example, the New York Department of Financial Services regulates the conduct of persons or entities that are involved in virtual currency business activity in New York or with New York customers and prohibits any person or entity involved in such activity to conduct activities without a license, known as a “BitLicense.”

Other states are seeking legislation, adopting rules or providing guidance (or have already done so) regarding virtual currency business activity. The expectation is that this trend will continue as states seek to protect businesses and consumers.

Further, digital assets currently face an uncertain regulatory landscape in many foreign jurisdictions. The rules and regulations in different foreign jurisdictions can vary widely. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the 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 the United States and may therefore impede the growth or sustainability of the Digital Asset economy in these jurisdictions as well as in the United States and elsewhere, or otherwise negatively affect the value of Digital Assets.

It is also possible that government authorities may claim ownership over various Digital Assets, including their source codes and protocols. Law enforcement agencies may take direct or indirect investigative or prosecutorial action related to, among other things, the use, ownership or transfer of Digital Assets.

The effect of any future regulatory change on a Fund is impossible to predict, but such change could be substantial and adverse.

### ***Exchanges Operating Outside of the U.S.***

Certain Digital Asset exchanges that Clients engage with may operate outside of the United States. Clients may have difficulty in successfully pursuing claims in the courts of such countries or enforcing in the courts of such countries a judgment obtained by Clients in another country. Further, should an exchange cease operation due to criminal actions or for financial or regulatory reasons, Clients may suffer losses and will likely be subject to the laws of the exchange's home country when pursuing remedies. In general, certain less developed countries lack fully developed legal systems and bodies of commercial law and practices normally found in countries with more developed market economies. Exchanges operating outside the U.S. typically limit or prohibit, or may in the future without notice limit or prohibit, investment by entities with U.S. beneficial owners in order to avoid U.S. regulations. Should an exchange on which a Client trades prohibit U.S. beneficial owners or limit the Client's trading, the Client may be forced to liquidate its positions at an inopportune time and be further limited or prevented from making investments in accordance with its investment strategy. It is possible in such an event that the exchange could "freeze" the Client's account thereby preventing the Client from accessing its account completely, and the Client would be unable to trade or withdraw funds from the exchange. Furthermore, any trading profits that the Client would have made as a result of early liquidation will not be available to the Client and the Client, in certain cases, may be obligated to indemnify the exchange for losses incurred due to the liquidation and to participate in an investigation conducted by the exchange and/or relevant authorities. If the Client, either directly or through, holds assets on an exchange where it is technically not an eligible counterparty, the exchange may have a claim for breach of contract against the Client. These legal and regulatory risks may adversely affect Clients and their respective operations and investments.

### ***Fraudulent Digital Asset Offerings***

Certain Digital Asset Offerings and early-stage Token Offerings in which a Fund participates are unregulated and may turn out to be fraudulent. There is no guarantee that funds lost due to such fraudulent actions will be recovered by a Fund.

### ***Risk of Cybersecurity Attacks***

The Funds, the general partners, the Adviser and their service providers, including Digital Asset Exchanges, custodians and their affiliates, may be subject to operational and information security risks resulting from cyber-attacks. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information, unauthorized asset transfers and various other forms of cybersecurity breaches. Cyber-attacks affecting the Funds, the general partners, the Adviser, their service providers and Digital Asset Exchanges may adversely impact the Funds. For instance, cyber-attacks may interfere with the processing or execution of the Funds transactions, cause the release of confidential information, including private information about the Funds' investors, subject the Funds, the general partners, the Adviser or their affiliates to regulatory fines or financial losses, or cause reputational damage. Additionally, cyber-attacks or security breaches (e.g., hacking or the unlawful withdrawal or transfer of funds) affecting any of the Funds' key service providers, such as the general partners, the Adviser, Digital Asset Exchanges, custodians or other counterparties holding assets of the Funds, may cause significant harm to the Funds, including the loss of capital. Similar types of cybersecurity risks are also present for the development teams that create Digital Assets in which the Funds may invest (e.g., the hacking attack associated with the initial coin offering of the DAO token). These risks could result in material adverse consequences for such

development teams or their Digital Assets and may cause the Funds' investments in such Digital Assets to lose value.

### ***No FDIC or SIPC Protection***

Digital currencies held by Clients are not subject to Federal Deposit Insurance Corporation ("FDIC") or Securities Investor Protection Corporation ("SIPC") protections. The Funds are not banking institutions or otherwise a member 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. While private insurance may be available at times, the undivided interest in Clients' Digital Assets are not insured.

### ***Malicious Actor or Botnet***

Malware is software used or programmed by malicious actors to disrupt computer operation, gather sensitive information or gain access to private computer systems. "Botnet" refers generally to a group of computers that use malware to compromise computers whose security defenses have been breached. To the extent that a malicious actor, cyber-criminal, computer virus, hacker or botnet (e.g., ZeroAccess) obtains a majority of the processing power on a Digital Asset network, alters the source code and blockchain on which all of a Digital Asset's transactions rely, or prevents the use, transfer, ownership, or integrity of a Digital Asset, an investment in the Funds could be adversely affected.

### **The Importance of Private Keys and the Potential for Irreversible Losses**

Many Digital Assets operate using a "public key" and a "private key," which are randomized sets of numbers and/or letters that are similar to a password. The public key allows for the recording of transactions in the underlying blockchain or cryptographic technology and a record of these transactions is stored publicly in cryptographically immutable "blocks" that reside globally in the applicable Digital Asset's network. Public keys are used to encrypt data, and there is a public record of each transaction in the blockchain. Private keys allow end users or recipients of Digital Assets to decrypt the data or the transaction, so that a third party cannot intercept a transaction or fraudulently impersonate the intended recipient. Private keys must be safeguarded and kept private. The Funds will hold, directly or indirectly, private keys, which will give the Funds access to its Digital Assets. To the extent a private key is lost, destroyed or otherwise compromised and no back up of the private key is accessible, the Funds will be unable to access their Digital Assets. The loss of a private key would lead to a complete loss of the Digital Assets because the Funds would lose access to those Digital Assets. Additionally, if a third party found or received access to a private key and then transferred those assets, that transaction would be recorded in that Digital Asset's blockchain and effectively irreversible, thereby resulting in a complete loss of those Digital Assets to the Funds.

### ***Illiquidity of SAFT Investments and Certain Securities***

The Funds may acquire interests in future digital tokens through instruments known as Simple Agreements for Future Tokens ("SAFTs") or warrants, through mining, staking or delegation contracts, as well as securities in cryptocurrency-related companies, which will be subject to significant restrictions on sale and transfer. Such interests and securities will likely not be publicly registered and consequently cannot be freely sold or transferred except in compliance with applicable federal and state securities laws and regulations. Additionally, certain equity securities may be subject to rights of first refusal, lockups,

and other significant restrictions on transfer imposed by the charters, bylaws, stock or option plans, or warrants pursuant to which they were issued by the applicable private company issuer. SAFTs and warrants for Digital Assets will allow private company issuers to issue the Funds options to acquire interests in future tokens from the private company issuers upon or following the occurrence of the ultimate development, sale and distribution of a digital token. Similarly, the Funds could enter into service contracts (such as mining, staking or delegation contracts) whereby in exchange for certain services by the Funds, the Funds receives certain tokens. The timing of receipt of the token by the Funds, including any vesting schedule, will be determined in the sole discretion of the private company issuer offering the SAFT or the contract. Such significant restrictions on and impediments to transfer could significantly reduce the value of the underlying interest or securities and could materially and adversely affect the Funds' ability to monetize or foreclose upon such interests or securities, significantly reducing the amount that the Funds could realize from any such actions. Such restrictions on the sale or transfer of these interests or securities could have a material adverse effect on their value, which could materially and adversely affect the value of the Funds' investments and the investors' interests.

### ***Irrevocable Cryptocurrency Transactions***

Just as blockchain (or similar technologies) creates a permanent, public record of Digital Asset transactions, it also creates an irrevocable one. Transactions that have been verified, and thus recorded as a block on the blockchain (or similar technologies), generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Digital Assets, the transaction is not reversible. The Funds may be unable to replace missing Digital Assets or seek reimbursement for any erroneous transfer or theft of Digital Assets. To the extent that the Funds are unable to seek redress for such action, error or theft, such loss could adversely affect an investment in the Funds.

### ***Counterparty Risk***

Some of the markets in which the Funds may effect its transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. 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 a Fund has concentrated its transactions with a single or small group of counterparties. The Funds are not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, the Funds have no internal credit function that evaluates the creditworthiness of their counterparties. The ability of the Funds to transact business with any one or 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.

### ***The Funds' Digital Assets may be Subject to Loss, Damage, Theft or Restriction on Access***

There is a risk that some or all of the Funds' Digital Assets could be lost, stolen or destroyed. Digital Assets held by the Funds will be an appealing target to hackers or malware distributors seeking to destroy, damage or steal the Funds' Digital Assets. Although the Funds and/or each Digital Asset Exchange uses their own security procedures with various elements such as redundancy, segregation and cold storage to minimize the risk of loss, damage and theft, the Funds cannot guarantee the prevention of such loss, damage or theft, whether caused intentionally, accidentally or by an act of god. Access to the Funds'

Digital Assets could also be restricted by natural events (e.g., an earthquake or flood) or human actions (e.g., a terrorist attack). Any of these events may adversely affect the operations of the Funds and, consequently, the value of an investor's interest.

### ***Strategy Restrictions***

Certain institutions may be restricted from directly utilizing investment strategies of the type in which the Funds may engage. Such institutions should consult their own advisors, counsel and accountants.

### ***Service Providers***

Several companies and financial institutions provide services related to the buying, selling, payment processing and storing of virtual currency (i.e., banks, accountants, exchanges, digital wallet providers and payment processors). The Funds expect the number of service providers to increase as the Digital Asset networks continue to grow. However, there is no assurance that the virtual currency market, or the service providers necessary to accommodate it, will continue to support Digital Assets or other types of virtual currency, continue in existence or grow. Further, there is no assurance that the availability of and access to virtual currency service providers will not be negatively affected by government regulation or supply and demand of Digital Assets. Accordingly, companies or financial institutions that currently support Digital Assets may not do so in the future.

The Funds' operations could be interrupted if the Funds' third-party service providers experience operational or other systems difficulties, terminate their services, or fail to comply with regulations. The Funds outsource some of the Funds' operational activities and accordingly depends on relationships with many third-party service providers. Specifically, the Funds rely on third parties for certain services, including, but not limited to, legal, accounting, financial operations, trade related activity, IT infrastructure and systems, trade reconciliation, and margin and collateral movement. The Funds' performance depends on the successful and uninterrupted functioning of the Funds' information technology and telecommunications systems and third-party service providers. The failure of these systems, a cybersecurity breach involving any of the Funds' third-party service providers or the termination or change in terms of a third-party software license or service agreement on which any of these systems is based could interrupt the Funds' operations. Because the Funds' information technology and telecommunications systems interface with and depend on third-party systems, the Funds could experience service denials if demand for such services exceeds capacity or such third-party systems fail or experience interruptions. Replacing vendors or addressing other issues with the Funds' third-party service providers could entail significant delay, expense, and disruption of service. As a result, if these third-party service providers experience difficulties, are subject to cybersecurity breaches, or terminate their services, and the Funds are unable to replace them with other service providers on a timely basis, the Funds' operations could be interrupted. If an interruption were to continue for a significant period, the Funds' performance could be adversely affected. Should the Funds be required to replace third-party service providers, it may be at a higher cost to the Funds, which could adversely affect the Funds' performance.

### ***Reliance on Virtual Currency Service Providers***

Due to audit and operational needs, there will be individuals who have information regarding the Funds' security measures. Any of those individuals may purposely or inadvertently leak such information. Further, several companies and financial institutions (including banks) provide support to the Funds related to the buying, selling and storing of virtual currency. To the extent service providers no longer support the Funds or cannot be replaced, investments in the Funds may be adversely affected.

***Any Inability To Maintain Adequate Relationships With Banking Partners And Other Service Providers May Adversely Affect The Funds' Performance.***

The Funds may also be harmed by the loss of any of the Funds' banking partners and trading venues. As a result of the many regulations applicable to cryptocurrencies or the risks of Digital Assets generally, many financial institutions have decided, and other financial institutions may in the future decide, to not provide bank accounts (or access to bank accounts), payments services or other financial services to crypto focused funds, such as the Funds. Similarly, a number of such funds have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to Digital Asset-related companies, including the Funds, for a number of reasons, such as perceived compliance risks or costs. The Funds' inability to procure or keep banking services would have a material and adverse effect on the Funds. Similarly, continued general banking difficulties may decrease the utility or value of Digital Assets or harm public perception of those assets. In addition to banks, other third-party service providers including accountants, lawyers and insurance providers may also decline to provide services to companies engaged in Digital Asset-related businesses because of the perceived risk profile associated with such businesses or the lack of regulatory certainty. Consequently, if the Funds or the Funds' trading venues cannot maintain sufficient relationships with the banks that provide these services, banking regulators restrict or prohibit banking of cryptocurrency businesses, or if these banks impose significant operational restrictions, it may be difficult for the Funds to find alternative business partners for the Funds' cryptocurrency offerings, which may result in a disruption of the Funds' performance and could have an adverse impact on the Funds' reputation, business, investment and trading strategies, the value of the Funds' assets, the value of any investment in the Funds, financial condition and results of operations.

***Political or Economic Crises May Motivate Large-Scale Sales of Digital Assets, Which Would Result In A Reduction In Values And Materially And Adversely Affect The Funds.***

Cryptocurrencies, as an alternative to fiat currencies that are backed by central governments, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services, and it is unclear how such supply and demand will be impacted by geopolitical events. For example, political or economic crises could motivate large-scale acquisitions or sales of Digital Assets either globally, regionally or locally. Large-scale sales of certain Digital Assets would result in a reduction in their value and could materially and adversely affect the Funds' investment and trading strategies, the value of the Funds' assets and the Funds' values.

***The Value Of Cryptocurrencies And Other Digital Assets May Be Subject To Momentum Pricing Risk.***

Momentum pricing typically is associated with growth stocks and other assets whose valuation, as determined by the investing public, accounts for anticipated future appreciation in value. Cryptocurrency and other Digital Asset market prices are determined primarily using data from various exchanges, over-the-counter markets, and derivative platforms. Momentum pricing may have resulted, and may continue to result, in speculation regarding future appreciation in the value of cryptocurrencies and other Digital Assets, inflating and making their market prices more volatile, and such effects may be material and adverse. As a result, cryptocurrencies and other Digital Assets may be more likely to fluctuate in value due to changing investor confidence in future appreciation (or depreciation) in their market prices, which could adversely materially affect the value of the Funds' cryptocurrency and other Digital Asset inventory and thereby affect the Funds' performance.

***Blockchain Networks, Digital Assets And The Exchanges On Which These Assets Are Traded Are Dependent On Internet And Other Blockchain Infrastructure And Susceptible To System Failures, Security***

### ***Risks And Rapid Technological Change.***

The success of cryptocurrency-based blockchain and other Digital Asset platforms will depend on the continued development of a stable public infrastructure, with the necessary speed, data capacity, security, and the timely development of complementary products such as high-speed modems for providing reliable internet access and services. Digital Assets have experienced, and are expected to continue to experience, significant growth in the number of users and amount of content. Blockchains will continue to be increasingly interconnected with other blockchains and real-world applications. As services and applications continue to be built on top of blockchains, there will be increased reliance on third-party infrastructure providers, including in connection with cross-chain bridges and messaging, liquidity providers, wallets, data feeds and oracles. Reliance on any of these third-parties introduces additional risks and points of failure. There is no assurance that the relevant Digital Asset infrastructure will continue to be able to support the demands placed on it by this continued growth or that the performance or reliability of the technology will not be adversely affected by this continued growth. There is also no assurance that the infrastructure or complementary products or services necessary to make Digital Assets a viable product for their intended use will be developed in a timely manner, or that such development will not result in the requirement of incurring substantial costs to adapt to changing technologies. The failure of these technologies or platforms or their development could materially and adversely affect the Funds' investment and trading strategies, the value of the Funds' assets and the value of any investment in the Funds. Any number of technical changes, software upgrades, soft or hard forks, cybersecurity incidents or other changes to the underlying blockchain network may occur from time to time, causing incompatibility, technical issues, disruptions or security weaknesses to the Funds' systems. If the Funds are unable to identify, troubleshoot and resolve any such issues successfully, the Funds may no longer be able to support such cryptocurrency, the Funds' customers' assets may be frozen or lost, the security of the Funds' hot or cold wallets may be compromised and the Funds' systems and technical infrastructure may be affected, all of which could adversely impact the success of the Funds' performance. Cryptocurrencies are created, issued, transmitted, and stored according to protocols run by computers in the cryptocurrency network. It is possible these protocols have undiscovered flaws or could be subject to network scale attacks which could result in losses to the Funds. Advancements in quantum computing could break the cryptographic rules of protocols which support certain of the Funds' assets.

#### ***Limited Ability to Realize "Fork" or "Airdrops"***

If a Fund holds a Digital Asset at the time of a hard fork creating two Digital Assets, it would be expected to hold an equivalent amount of the old and new Digital Assets following the hard fork. Similarly, a Fund may hold a Digital Asset that is subject to an automatically granted "airdrop" for that asset or a different existing or new digital asset. However, a Fund may not be able, or it may not be practical, to secure or realize the economic benefit of the new Digital Asset for various reasons. For instance, a custodian or security service provider may not agree to provide a Fund access to the new Digital Asset. In addition, a Fund may determine that there is no safe or practical way to custody the new Digital Asset, or that trying to do so may pose an unacceptable risk to a Fund's holdings in the old Digital Asset, or that the costs of taking possession and/or maintaining ownership of the new digital asset exceed the benefits of owning the new Digital Asset. Further, a Fund is unable to foresee the type of digital assets that it may acquire through forks or airdrops and the tax consequences of such acquisitions is unclear.

Additionally, laws, regulation or other factors may prevent a Fund from benefitting from the new Digital Asset even if there is a safe and practical way to custody and secure the new Digital Asset. For example, it may be illegal for a Fund to sell the new asset, or there may not be a suitable market into which a Fund can sell the new Digital Asset (either immediately after the fork or ever).

In addition, a Digital Asset held by a Fund may become subject to an airdrop that is not automatically granted, whereby the promoters of a new or existing Digital Asset announce to holders of another Digital Asset that they will be entitled to claim a certain amount of the promoted Digital Asset for free only upon an affirmative action by such holders signaling that they wish to receive the promoted Digital Asset, usually within a certain timeframe set by the promoter. For the same reasons as described above with respect to hard forks, a Fund may or may not choose, or be able, to participate in an airdrop, or may or may not be able to realize the economic benefits of holding the new Digital Asset. The timing of any such occurrence is uncertain and a Fund's participation would be subject to the Adviser's discretion. Any inability to recognize the economic benefit of a hard fork or an airdrop could adversely impact an investment in a Fund.

As a general matter, a Fund will assess airdrops or hard forks on a case-by-case basis. There is no guarantee that a Fund will be able to sell a new Digital Asset at a favorable price, including because of a lack of liquidity for the new Digital Asset.

### ***Risk of Distortion from Stablecoins***

Although investments in stablecoins are not currently part of the Funds' investment strategy, the Funds may be exposed to risks that stablecoins pose for the Digital Asset market. Stablecoins are Digital Assets designed to have a stable value over time as compared to typically volatile Digital Assets and are typically marketed as being pegged to a fiat currency, such as USD. Although the prices of stablecoins are intended to be stable, in many cases their prices fluctuate, sometimes significantly. This volatility has in the past impacted the price of other Digital Assets. The majority of transactions in the Digital Asset ecosystem are pairs of stablecoins with other tokens. Because stablecoins are systemically important to the Digital Asset ecosystem, to the extent that stablecoins are volatile could foreseeably have an outsized impact on the market which is difficult to predict. In addition, some Digital Asset Exchanges, including those with significant global volumes, are reliant upon stablecoins because they cannot obtain, or choose not to obtain, banking relationships, and therefore cannot receive or send dollars or other fiat currencies to or from customers.

Although there are many different versions of stablecoins in existence, most are currently subject to limited regulation and are therefore subject to higher risk of theft, fraud, or operational problems relative to cash and cash equivalents. It is difficult to predict what direction the U.S. government may take in legislating stablecoins; however, recent regulatory scrutiny has been placed specifically on stablecoins that suggests possible legislation which would require stablecoin issuers to be insured depository institutions and to comply with activities restrictions that limit affiliation with commercial entities. Further possible legislation may require custodial wallet providers who hold stablecoins to be subject to appropriate federal oversight, to meet appropriate risk-management standards, or other standards such as limits on affiliation with commercial entities or on use of users' transaction data. Any legislation enacted to address the risks associated with stablecoins could affect the growth and usability of stablecoins, which could decrease the value of Digital Assets generally.

Stablecoins are a relatively new phenomenon, and it is impossible to know all of the risks that they could pose to participants in the digital asset markets. Volatility in stablecoins, operational issues with stablecoins (for example, technical issues that prevent settlement), concerns about the sufficiency of any reserves that support stablecoins, or regulatory concerns about stablecoin issuers or intermediaries, such as exchanges, that support stablecoins, could impact individuals' willingness to trade on exchanges that rely on stablecoins and could impact the price of digital assets, and in turn, an investment in the Funds.



### ***Risks Related to Investments in DeFi***

“DeFi” means a variety of blockchain-based applications or protocols that provide for peer-to-peer financial services using smart contracts and other technology rather than such services being offered by central intermediaries. There are various DeFi applications and protocols, each with its own unique risks and uncertainties. Common DeFi applications include borrowing/lending Digital Assets and providing liquidity or market making in Digital Assets. DeFi applications and ecosystems are demonstrating how public blockchains and smart contracts can revolutionize financial services, but the nascent technology comes with several risks that could materially and adversely affect the Master Fund’s investments and trading strategies. It is difficult to quantify the amount of leverage that exists within the DeFi ecosystem and price volatility can result in deleveraging that moves asset prices dramatically. In addition, smart contracts may contain bugs which put funds at risk of theft or loss. Furthermore, in certain decentralized protocols, it may be difficult or impossible to verify the identity of a transaction counterparty necessary to comply with any applicable anti-money laundering, countering the financing of terrorism, or sanctions regulations or controls. The complexity and interconnectedness of Digital Asset networks, applications, and economic systems enables new forms of malicious attacks that leverage a feature or vulnerability of one system to attack another. Such an attack may take the form of a temporary manipulation of the price of certain Digital Assets that trigger second order behaviors, such as automatic collateral liquidations on decentralized applications or Digital Asset trading platforms. Such an attack could adversely affect investments. A malicious actor can exploit the structure of one or a series of smart contracts or applications in ways that do not technically constitute exploitation of a “bug” or flaw in the smart contract or application. For example, such an exploit has occurred repeatedly in the Ethereum DeFi ecosystem, whereby a decentralized exchange or lending application is designed to reference an external pricing source of a particular Digital Asset to determine when to liquidate collateral. By manipulating the price of the particular Digital Asset on a third-party platform (such as a Digital Asset trading platform), the pricing source used by the decentralized trading platform or application is consequently manipulated, which then leads to uneconomic collateral liquidations on the decentralized trading platform or application. Such liquidations may be processed automatically and could have a material adverse effect on the Master Fund’s investment strategy.

***The Funds Expect To Invest In Smart Contract-Based Digital Assets. If The Underlying Smart Contracts For These Digital Assets Do Not Operate As Expected, They Could Lose Value And The Funds’ Performance Could Be Adversely Affected.***

The Funds expect to invest in Digital Assets that represent units of value on smart contracts deployed on a third party blockchain. Smart contracts are programs that store and transfer value and execute automatically when certain conditions are met. Since smart contracts typically cannot be stopped or reversed, vulnerabilities in their programming and design can have damaging, and even permanent, ramifications. For instance, in April 2018, a batch overflow bug was found in many Ethereum-based ERC20-compatible smart contract tokens that allowed hackers to create a large number of smart contract tokens, causing multiple Digital Asset platforms worldwide to shut down ERC20-compatible token trading. Similarly, in March 2020, a design flaw in the MakerDAO smart contract caused forced liquidations of Digital Assets at significantly discounted prices, resulting in millions of dollars of losses to users who had deposited Digital Assets into the smart contract. If any such vulnerabilities or flaws come to fruition, smart contract-based Digital Assets may suffer negative publicity, be exposed to security vulnerabilities, decline

significantly in value, and lose liquidity over a short period of time. As smart contract-based Digital Assets continue to develop and evolve, the Funds may be subject to unintended or unforeseen regulatory risks and regulatory actions, which may be inconsistently applied across jurisdictions.

In some cases, smart contracts can be controlled by one or more “admin keys” or users with special privileges, or “super users.” These users have the ability to unilaterally make changes to the smart contract, enable or disable features on the smart contract, change how the smart contract receives external inputs and data, and make other changes to the smart contract. For smart contracts that hold a pool of assets, these users may also be able to extract funds from the pool, liquidate assets held in the pool, or take other actions that decrease the value of the assets held by the smart contract in reserves. Even for Digital Assets that have adopted a decentralized governance mechanism, such as smart contracts that are governed by the holders of a governance token, such governance tokens can be concentrated in the hands of a small group of core community members, who would be able to make similar changes unilaterally to the smart contract. If any such super user or group of core members unilaterally make adverse changes to a smart contract, the design, functionality, features and value of the smart contract, and its related Digital Assets may be harmed. In addition, assets held by the smart contract in reserves may be stolen, misused, burnt, locked up or otherwise become unusable and irrecoverable. These super users can also become targets of hackers and malicious attackers. If an attacker is able to access or obtain the super user privileges of a smart contract, or if a smart contract’s super-users or core community members take actions that adversely affect the smart contract, the Funds’ customers who hold and transact in the affected Digital Assets may experience decreased functionality and value of the applicable Digital Assets, up to and including a total loss of the value of such Digital Assets. Although the Funds do not control these smart contracts, any such events could cause customers to seek damages against the Funds for their losses, result in reputational damage to the Funds, or in other ways adversely impact the Funds’ performance.

***The Value Of Nonfungible Tokens (“NFTs”), And Any Investment In NFTs, Is Uncertain And May Subject The Funds To Unforeseeable Risks.***

The Funds expect to invest in NFTs. The Funds also invest in companies that create and support NFTs. NFTs are unique, one-of-a-kind Digital Assets made possible by certain Digital Asset network protocols. Because of their non-fungible nature, NFTs introduce digital scarcity and have become popular as online “collectibles,” similar to physical rare collectible items, such as trading cards or art. Like real world collectibles, the value of NFTs may be prone to “boom and bust” cycles as popularity increases and subsequently subsides. Certain metadata pertaining to NFTs or the collectible itself (such as digital art) represented by the NFT may be stored “offchain,” i.e., not on a decentralized Digital Asset network. If the entity behind an NFT project or its third-party hosting service or platform ceases hosting relevant data relating to NFTs, such NFTs may become worthless. If any of these events were to occur, it could adversely affect the value of certain of a Fund’s future investments and strategies. In addition, because NFTs generally rely on the same types of underlying technologies as Digital Assets, most risks applicable to Digital Assets (including phishing, hacking, blockchain risks) are also applicable to NFTs and hence any investment into NFTs will be subject to general Digital Assets risks as described elsewhere in these risk factors.

***Uncertain Legal Status of Decentralized Autonomous Organizations (“DAOs”)***

DAOs are organizations that rely on smart contracts to grant members the ability to control or direct the DAO’s assets. Smart contracts and an underlying blockchain keep track of members, and membership can be purchased or allocated as a reward (such as a token) in exchange for capital, use, or resources. Membership in a DAO gives participants specific rights, which can include a portion of an organization’s

profits or losses, the right to access, manage, or transfer the resources or services that the DAO controls, or specific privileges, such as ability to engage in the DAO's decision-making processes.

The legality of DAOs is generally unclear and may vary by jurisdiction. On July 1, 2021, Wyoming became the first state in the United States to recognize DAOs as a legal entity. Some previous approaches to blockchain-based companies have been regarded by the SEC as illegal offers of unregistered securities. Given their uncertain legal status, DAOs formed for the purpose of making a profit might be deemed to be a general partnership in some jurisdictions and thus lack the ability to shield members' assets if the DAO is exposed to legal liability. If characterized as a general partnership, DAOs may struggle to attract members. Large businesses, institutional investors, and other regulated commercial entities may be reluctant to invest or otherwise support a DAO for fear that membership would put other assets at risk.

### ***Distributed Governance in DAOs***

DAOs rely on blockchain technology and smart contracts for governance instead of a traditional board of directors, general partners, or managing members, and the implied relationship between DAO members is not that of a fiduciary, but rather DAO members stand on equal footing, at least in terms of the availability to join and gain access to pertinent information related to how a given DAO operates. Some DAOs are managed by distributed consensus—using smart contracts to aggregate the votes or preferences of members—or they may be managed entirely by algorithm with the underlying smart contracts dictating the entire functionality of a DAO. Due to their emerging nature of DAOs, DAO governance remains fluid and untested.

### ***Evidencing Ownership in DAOs***

Participation in a DAO often is evidenced through a blockchain-based “token” that is coupled with the smart contracts that govern the organization. Individuals can either purchase tokens or receive them as a reward for some other contribution, such as computing power. Through smart contracts, tokens can be associated with specific rights that run in favor of their holders, such as the right to receive a portion of the organization's income or the right to use the network, software, or other service offered by the organization. DAO tokens are also increasingly designed to provide their holders with the right to govern underlying software through a vote. Whether or not these tokens are all securities is still an open question. Furthermore, even if these tokens are securities, their categorization for regulatory purposes is uncertain.

### ***Digital Asset Related Investment Vehicles***

The Funds may make investments in or through commingled investment vehicles or separate accounts investing in, or related to, Digital Assets or otherwise where additional performance compensation and/or management fees would be borne by the Funds and payable/allocable to the general partner, managing member, investment manager or other person serving in a similar capacity of such fund(s). In addition to the management fee and carried interest distributions, investors may indirectly bear both asset-based fees and performance-based fees or allocations of any such investment vehicles or separate accounts, even during a period when a Fund's overall capital depreciated.

Interests in Digital Asset-related investment vehicles will generally be valued in accordance with the valuations provided by such funds, which are typically based on the interim unaudited financial records of the fund and subject to adjustment (upward or downward) upon the auditing of such financial records (if any).

The Funds may have limited rights pursuant to which it may withdraw, transfer or otherwise liquidate its investments in commingled investment vehicles. Such investment vehicles also may be permitted to make

distributions in kind to the Funds.

The general partners, managing members, investment managers or other persons serving in a similar capacity of an investment vehicle in which the Funds invest are subject to various risks, including risks typically associated with managing investment funds, as well as any additional risks relating to Digital Assets.

### ***Valuation of Assets and Liabilities***

The Funds' assets and liabilities are valued in accordance with the Adviser's valuation policy. The valuation of any asset or liability involves inherent uncertainty. The value of a Digital Asset determined in accordance with the Adviser's valuation policy may differ materially from the value that could have been realized in an actual sale or transfer for a variety of reasons, including the timing of the transaction and liquidity in the applicable market. Uncertainties as to the valuation of portfolio positions (including, for instance, determination of when an investment should be written down or written off) could have an impact on the net asset value of a Fund if the judgments of the Adviser regarding the appropriate valuation should prove to be incorrect.

### ***Audits of Digital Asset Funds***

Audits for investment funds holding Digital Assets are unlike audits for other types of investment funds. Special procedures must be taken to assess whether investments and transactions are properly accounted for and valued because independent confirmation of Digital Asset ownership (e.g., ownership of a balance on a Digital Asset exchange) differs dramatically from traditional confirmation with a securities broker or bank account. The Funds, the Adviser and the Funds' administrators will need to have satisfactory processes in place in order for the auditor to obtain the Funds' transaction history and properly prepare audited financials. Any breakdown in such processes may result in delays or other impediments of an audit. In addition, the complexity of Digital Assets generally may lead to difficulties in connection with the preparation of a Funds' audited financials.

### ***Reliance Upon Portfolio Company Management***

The Funds are not expected to have an active role in the day-to-day management of the companies in which they invest. To the extent that the senior management of a portfolio company performs poorly, or if a key manager terminates employment, a Fund's investment in such company could be adversely affected.

### ***Lack of Control***

The Adviser expects that the Funds will hold minority interests in most companies and, therefore, may have limited ability to protect its position and investment.

### ***Regulations Applicable to Portfolio Companies***

The Funds may invest in portfolio companies that may be subject to extensive governmental regulations and oversight with respect to their business activities. The failure to comply with applicable regulations, obtain applicable regulatory approvals, or maintain those approvals so obtained, may prevent the portfolio company from bringing products and services to the market, and could subject the applicable portfolio company to civil penalties, suspension or withdrawal of any regulatory approval obtained, product recalls and seizures, injunctions, operating restrictions and criminal prosecutions and penalties, which could, individually or in the aggregate, have a material adverse effect on a Fund's investment in

such company.

### ***No Assurance of Profitability***

No assurance can be given as to the Adviser's ability to cause the Funds to choose, make and realize any particular investment. There can be no assurance that the Funds will be able to generate returns for their investors or that the returns will be commensurate with the risks of investing in the type of investments and transactions described herein. Investments made by the Funds are subject to a wide range of risks, including the impact of terrorist acts or threats thereof, economic trends and other externalities beyond the control of the Funds, the Adviser or the general partners, which could cause such investments to lose value. There can be no assurance that any investor will receive any distribution from the Funds. Accordingly, an investment in the Funds should only be considered by persons that can afford a loss of their entire investment.

### ***Illiquid Fund Investments***

Some of the portfolio companies in which the Funds may invest initially may be privately held. As a result there will be no readily available secondary market for a Fund's interests in such portfolio companies, and those interests will be subject to legal restrictions on transfer. Therefore, there is no assurance that the Funds will be able to realize liquidity for such investments in a timely manner, if at all, or on attractive terms. The ability of the Funds to sell securities and realize investment gains will depend upon favorable market conditions. As recent history indicates, initial public offering and merger and acquisition opportunities may be limited or non-existent for extended periods of time, whether due to economic, regulatory or other factors. Unless a portfolio company subsequently succeeds in obtaining approval from the relevant authorities to list its shares on a recognized exchange, this avenue to liquidity may not be available to the Funds, which must then rely on other means to achieve liquidity. In addition, a Fund may be precluded from selling its shares in a public portfolio company for some time after such portfolio company's initial public offering, if any. As a result, the values ascribed to such Fund's assets by the general partner may differ substantially from the values that would be ascribed to such assets by a third party.

### ***Restrictions on the Sale or Distribution of Portfolio Company Securities***

The Funds may be prohibited by lock-up agreements or insider trading restrictions from distributing or selling portfolio company securities for a period of time, during which the price of a portfolio company's securities could decline during such period of time, and the values ascribed to a Fund's assets by the general partner may differ substantially from the values that would be ascribed to such assets by a third party that is in a position to sell such assets immediately. In addition, the general partner may, in its sole discretion, withhold distribution of securities beyond the relevant lock-up period. It may also be difficult for the Funds to value their interests in privately held portfolio companies.

### ***Distributions in Kind***

The general partner may distribute certain of the Funds' investments in securities or other non-cash property. Any such distribution could put downward pressure on the price of a portfolio company's securities and could reduce a Fund's influence in the portfolio company's affairs. Further, distributions in kind, particularly on dissolution of a Fund, may result in the receipt by an investor of highly illiquid unregistered securities. An investor that receives assets other than cash from a Fund may incur substantial costs and delays in converting those assets to cash.

### ***Debt incurred by portfolio companies***

The Funds' portfolio companies may employ varying degrees of leverage. As a result, economic downturns, operating problems and other general business and economic risk may have a more pronounced effect on the profitability and survival of such companies. Moreover, rising interest rates may significantly increase portfolio company interest expense, causing losses and/or the inability to service debt levels. If a portfolio company cannot generate adequate cash flow to meet debt obligations, a Fund may suffer a partial loss or total loss of capital invested in such portfolio company. Additionally, the securities acquired by a Fund may be the most junior in what will typically be a complex capital structure of the portfolio company, and thus subject to greatest risk of loss.

### ***Reliance on the General Partner***

Each general partner and its affiliates will have exclusive responsibility for managing the Funds' activities, and investors will not be able to make investment or any other decisions in the management of a Fund. Additional partners may be admitted to a general partner following a Fund's initial closing, existing partners may withdraw, and the investors will have no power to prevent any specific person from being admitted to, or withdrawing from, the general partner.

A general partner may appoint or admit certain persons to advisory or other committees or boards intended to assist such general partner by providing advice, industry contacts, deal flow, technical expertise or other benefits. Under most circumstances, such persons will have no contractual or other obligation to continue as members of such committees or boards or to provide any particular benefits. In evaluating an investment in the Funds, prospective investors should not depend upon any specific benefits accruing to the general partner or the Funds in respect of any such advisory or other committees or boards or the members thereof.

In addition, the investors will not be permitted to evaluate investment opportunities or relevant business, economic, financial or other information that will be used by such general partner in making decisions. Except as specifically provided in the Governing Documents, such general partner and the Adviser will have the exclusive right and power to manage such Fund's business and affairs.

### ***Dependence on the Principals***

The success of the Funds will depend, in large part, on the skills and expertise of the principals. In the event that one or both principals are no longer engaged in the active day-to-day management of the Funds and/or the general partner, there is no assurance that the Funds will be able to make further investments or successfully realize any existing investments. The loss of one or both principals is likely to have a material adverse effect on the performance of the Funds.

### ***Reliance on the Adviser***

The Adviser invests assets of the Funds. The success of a Fund depends on the ability of the Adviser to develop and implement investment strategies that achieve such Fund's investment objectives. Subjective decisions made by the Adviser may cause such Fund to incur losses or miss profit opportunities. In addition, the overall performance of the Funds is also dependent upon the ability of the Adviser to select and allocate the Funds' assets among its portfolio companies. There can be no assurance that the allocations made by the Adviser will prove as successful as other allocations that could have been made.

### ***Certain Litigation Risks***

The Funds will be subject to a variety of litigation risks, particularly if one or more of their portfolio companies face financial or other difficulties during the term of a Fund. Legal disputes, involving any or

all of the Funds, the Adviser, the general partner, their members or their affiliates, may arise from the foregoing activities (or any other activities relating to the operation of a Fund or its general partner) and could have a significant adverse effect on such Fund. A Fund may also participate in portfolio company financings at implicit portfolio company valuations lower than the valuations implicit in preceding rounds of financing. While this provides such Fund with more opportunity to positively influence the company's success, it can also lead to greater exposure of such Fund's assets. In the event of a dispute arising from any of the foregoing activities (or other activities relating to the operation of the Fund), it is possible that such Fund, its general partner, the Adviser, the principals or any of their affiliates may be named as defendants. portfolio companies may have insurance to protect directors and officers, but this insurance may be inadequate. Under most circumstances, the Funds will indemnify the general partner, the principals, the Adviser and their affiliates for any costs they incur in connection with such disputes. Beyond direct costs, such disputes may adversely affect the Funds in a variety of ways, including by distracting the general partner, the Adviser and the principals and harming relationships between the Funds and their portfolio companies or other investors in such portfolio companies.

### ***Possibility of Fraud and Other Misconduct of Employees and Service Providers***

Misconduct by employees of the Adviser, service providers to the Adviser or the Funds and/or their respective affiliates could cause significant losses to such Funds. Misconduct may include entering into transactions without authorization, 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. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such Funds. The Adviser has controls and procedures through which they seek to minimize the risk of such misconduct occurring. However, no assurances can be given that the Adviser will be able to identify or prevent such misconduct.

### ***Russian Invasion of Ukraine***

Russia's 2022 invasion of Ukraine, the resulting displacement of persons both within Ukraine and to neighboring countries, and the associated international sanctions could have a negative impact on the economy and business activity globally (including in countries the Funds invest in), and therefore could adversely affect the performance of the Funds' investments. Furthermore, given the ongoing nature of the conflict between the two nations and its escalation (such as Russia's decision to place its nuclear forces on high alert and the possibility of significant cyberwarfare against military and civilian targets globally), it is difficult to predict the conflict's ultimate impact on global economic and market conditions. As a result, the situation creates material uncertainty and risk with respect to the Funds' investment performance and operations and the Funds' ability to achieve their investment objectives.

## **RISKS RELATED TO INVESTMENT INSTRUMENTS AND SECURITIES LAWS**

### ***Potential Characterization of Digital Assets as "Securities"***

A determination that a Digital Asset is a "security" for purposes of the federal securities laws could adversely affect the value of that Digital Asset and potentially Digital Assets generally, and could therefore adversely impact a Fund's performance.

Depending on its characteristics, a Digital Asset may be considered a "security" under the federal

securities laws. The test for determining whether a particular Digital Asset is a “security” is complex and difficult to apply, and the outcome is difficult to predict. Public, though non-binding, statements by senior officials at the SEC indicate that the SEC does not currently consider Bitcoin or Ethereum to be securities, and the SEC staff has provided informal assurances to a handful of promoters that their Digital Asset are not securities. On the other hand, the SEC has brought enforcement actions against the promoters of several other Digital Assets on the basis that the Digital Assets in question are securities. Moreover, in September 2021 testimony before the Senate Banking Committee, the chairman of the SEC stated that “only a small number” of Digital Assets are not securities. Beyond the public enforcement actions involving specific Digital Assets, the SEC has not yet publicly identified which specific Digital Assets it considers to be securities, although it is possible that the SEC could do so in the future in the context of enforcement actions or in public statements outside the enforcement context.

The SEC’s positions on the federal securities law status of particular Digital Assets are closely watched and can have dramatic effects, regardless of whether the SEC’s positions prevail in federal court. Whether a Digital Asset is a security under the federal securities laws depends on whether it is included in the lists of instruments making up the definition of “security” in the Securities Act of 1933, as amended, the Exchange Act, the Advisers Act and the Investment Company Act. Digital Assets as such do not appear in any of these lists, although each list includes the terms “investment contract” and “note,” and the SEC has typically analyzed whether a particular Digital Asset is a security by reference to whether it meets the tests developed by the federal courts interpreting these terms, known as the Howey and Reves tests, respectively. For many Digital Assets, the Howey or Reves tests are difficult to resolve definitively, and substantial legal arguments can often be made both in favor of and against a particular Digital Asset’s qualifying status. Adding to the complexity, the SEC staff has indicated that the security status of a particular Digital Asset can change over time as the relevant facts evolve. Any enforcement action by the SEC or a state securities regulator, or a court decision or SEC announcement, asserting or finding that a particular Digital Asset is a security for purposes of the federal securities laws would be expected to have an immediate and material adverse impact on the trading value of that Digital Asset if it is then generally used or traded in the United States, and depending on the specific characteristics of the Digital Asset, could have adverse spillover effects on the trading values of other Digital Assets perceived to share similar characteristics that are also generally used or traded in the United States. This is because the business models behind most Digital Assets are incompatible with U.S. regulations applying to transactions in securities. If a Digital Asset is asserted or found to be a security, it is likely to become difficult or impossible for the Digital Asset to be traded, cleared or custodied in the United States through the same channels used by non-security Digital Assets. For example, all transactions in such Digital Asset would have to be registered with the SEC and potentially state securities regulators, or conducted in accordance with exemptions from registration, which could severely limit its liquidity and usefulness. Moreover, the network on which such Digital Asset is utilized may be subject to regulation as a securities intermediary, which could effectively render the network impracticable for its existing purposes. In addition to materially and adversely affecting the trading value of the Digital Asset, any such consequences are likely to significantly impact the Digital Asset’s liquidity and market participants’ ability to convert the Digital Asset into U.S. dollars.

To the extent a Fund holds any Digital Asset that is impacted by an assertion or finding of securities status, such Fund’s performance would be adversely impacted.

***DeFi Protocols And Digital Assets Used In DeFi Protocols Pose Heightened Regulatory Concerns Even Beyond Those That Face Digital Asset Networks And Digital Assets Generally.***

The U.S. financial system is extensively regulated at both the federal and state level with a particular focus on intermediaries such as banks, broker-dealers, futures commission merchants, investment funds,



investment advisers, and financial asset exchanges, trading platforms, clearinghouses and custodians. U.S. laws and regulations impose specific obligations on financial services intermediaries both for the protection of their customers and for the protection of the U.S. financial system as a whole. These include capital requirements, activities restrictions, reporting and disclosure requirements and obligations to monitor the activities of their customers and to ensure that the intermediaries' activities and the activities of their customers are conducted in accordance with applicable laws and regulations. Non-U.S. laws and regulatory requirements may impose similar obligations. By seeking to eliminate or substantially limit the role of traditional financial services intermediaries in lending, brokering, advisory, trading, clearing, custodial and other financial services activities, DeFi protocols pose numerous challenges to the longstanding oversight framework developed under U.S. law and used by U.S. and other regulators. For example, one former commissioner of the CFTC has publicly stated that he believes certain DeFi protocols and activities operating without regulatory licensing likely violates the Commodity Exchange Act. Further, most DeFi activities rely on users maintaining "self-hosted" wallets, and DeFi protocols generally do not engage in anti-money laundering and know-your-customer or other customer identification and due diligence processes, each of which have raised concerns for regulators, including international standard-setting bodies such as the Financial Action Task Force.

Legislative bodies and regulators may be required to adapt their regulatory models to accommodate decentralized financial activities, or take novel steps to supervise, limit or even prohibit decentralized financial activities. Recently, there have been public reports of instances of SEC oversight, including SEC subpoenas of teams behind DeFi platforms. It is not possible to predict how or when these challenges will be resolved or what the impact on specific DeFi protocols will be, and it is likely that the DeFi industry will face a prolonged period of regulatory uncertainty. It is possible that some DeFi protocols, including those using Digital Assets that the Funds invests in, will be subjected to costly and burdensome compliance regimes or even prohibited outright.

In addition, traditional financial services intermediaries bear significant and ongoing costs to comply with financial services regulation, and individually or through trade associations may actively oppose legislative or regulatory efforts to accommodate DeFi activities that compete with their core service offerings. Traditional financial services intermediaries may instead actively encourage policymakers and regulatory authorities to take actions that impede the development and use of DeFi protocols. DeFi protocols that significantly improve on traditional financial services offerings by making transactions more efficient and inexpensive, including those using Digital Assets, can be expected to draw the most attention and potential opposition from traditional financial services intermediaries, the associations that represent them, and their legislative allies.

Any action taken by federal, state or international policymakers or regulators to address risks and perceived risks to the public or to the U.S. and other countries' financial systems from decentralized financial activities, or the threat of such action, could have a material adverse impact on one or more Digital Assets and therefore materially and adversely impact the Funds' investments, the Funds' revenue and the Funds' performance.

### ***Taxation of Cryptocurrency***

The tax treatment of an investment in cryptocurrency by a Fund (or any portfolio company) remains unclear and the IRS may take tax positions contrary to the tax positions taken by such Fund (or any portfolio company) with respect to any such investment. In the event of a U.S. federal income tax audit (or other proceeding by a taxing authority) successfully challenging a tax position taken by such Fund (or any portfolio company) with respect to such investment, investors may suffer adverse tax consequences. In addition, certain investments and transactions involving cryptocurrencies can give rise to taxable

income or gain without a corresponding receipt of cash (for example, an exchange of such investments for other cryptocurrencies or other Digital Assets or “airdrops” or “chain splits”). Further, any income generated from cryptocurrencies that is Proof of Stake (PoS) income, token rewards from “staking” or income from similar activities may be taxable as ordinary income.

#### **Item 9. Disciplinary Information**

There are no legal or disciplinary events that are material to an investor’s or prospective investor’s evaluation of our advisory business or our management.

#### **Item 10. Other Financial Industry Activities and Affiliations**

##### ***Related General Partners***

As noted above, we are affiliated with each general partner that serves as a general partner to the Funds. Each general partner of a Fund and the Adviser operate as a single advisory business with common officers and employees.

##### ***Relationship with Investment Adviser***

We are associated with Collaborative Fund Management LLC (“CFM”), which holds a minority ownership interest (less than 25%) in our company. CFM operates as an exempt reporting adviser with the SEC and conducts its investment advisory business separate and apart from the investment advisory activities conducted by us. However, we have entered into a services agreement with CFM to provide certain services to us and the Funds including, but not limited to, back-office support, including compliance and accounting services. In addition, we have an ongoing fee sharing arrangement with CFM as a result of CFM participating in the establishment of a Fund, entitling CFM to a portion of the management fees of such Fund. See *Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading* below, for more information about this relationship and the associated potential conflicts of interest.

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

##### ***Code of Ethics Overview***

We have adopted a Code of Ethics, which is designed to help ensure that we conduct our business in accordance with all applicable federal securities laws and regulations and in an ethical and professional manner. In addition, our Code of Ethics sets forth standards of conduct for our employees to ensure that they conduct their business on our behalf in a manner that enables us to fulfill our fiduciary duty to our clients.

Our Code of Ethics governs personal trading by our employees, including certain preclearance and reporting requirements. In addition, the Code of Ethics sets forth the manner in which employees may report violations of law or our policies and procedures. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

In addition to the Code of Ethics, we have adopted policies and procedures to provide standards related to the giving or receiving of gifts and entertainment, employee political contributions, outside business activities, and other matters for our business.

##### ***Personal Trading Policy***

Employees may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, subject to the terms of the Code of Ethics. Additionally, employees will be required to provide our Chief Compliance Officer (“CCO”) with periodic reporting relating to their trading activity and personal accounts. Our policies relating to personal trading will also generally apply to any account where an employee has beneficial ownership over such account. This includes an employee’s spouse or minor child, or an immediate family member of an employee living in the same household as such employee.

### ***Participation or Interest in Client Transactions***

The Adviser and certain employees and associated entities of the Adviser may invest in and alongside the Funds, either through the general partners, as direct investors in the Funds or otherwise. A Fund or its general partner, as applicable, may reduce all or a portion of the management fee and carried interest related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below.

### ***Potential Conflicts of Interest***

The Adviser and its associated entities engage in a broad range of activities, including investment activities for their own account and for the accounts of Funds as well as funds advised or managed by the advisers associated with the Adviser (the “Associated Advisers”) (together with the Funds, the “Associated Funds”), and provides transaction-related, investment advisory, management and other services to the Funds, other Funds, other Associated Funds and operating companies. In the ordinary course of conducting its activities, the interests of certain of the Funds will, from time to time, conflict with the interests of the Adviser, other Funds, other Associated Funds or their respective affiliates. Certain of these conflicts of interest, as well as a description of how the Adviser addresses such conflicts of interest, can be found below.

The following discussion describes certain potential conflicts of interest that exist among the Adviser, the Funds, the Associated Advisers and the Associated Funds. The material conflicts of interest encountered by the Funds include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by the Funds. Other conflicts may be disclosed throughout this Brochure and this Brochure should be read in its entirety for other conflicts. Dealing with conflicts of interest is complex and difficult, and new and different types of conflicts may subsequently arise. While the Adviser has adopted procedures to address such conflicts, no assurance can be made that these procedures will have their desired effect. There can be no assurance that the Adviser will be able to resolve all conflicts in a manner that is favorable to the Funds.

### ***Resolution of Conflicts***

In the case of all conflicts of interest, the Adviser’s determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Adviser’s best judgment, but in its sole discretion. In resolving conflicts, the Adviser considers various factors, including the interests of the Funds with respect to the immediate issue and/or with respect to its longer-term course of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors generally mitigate, but will not eliminate, conflicts of interest.

1. The Adviser will consider the appropriateness of an investment from the viewpoint of the Funds.
2. Many important conflicts of interest will generally be resolved by set procedures, restrictions or

other provisions contained in the Governing Documents.

3. The Funds have established advisory committees, consisting of representatives of investors not affiliated with the Adviser or its affiliates. The advisory committee will meet as required to consult with the general partner and/or the Adviser as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, the general partner and the Adviser will be guided by their good faith discretion.
4. Where the Adviser deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price.
5. The Adviser has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest, including its policy regarding the allocation of investment opportunities described below.
6. Prior to subscribing for interests in the Funds, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Funds.

While the Adviser endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct and decisions.

#### ***Allocation of Investment Opportunities***

In connection with its investment activities, the Adviser will encounter situations in which it must determine how to allocate investment opportunities among Funds and other persons, which may include, but are not limited to, the following:

- Any co-investors or co-investment vehicles that have been formed to invest side-by-side with one or more Funds in all or particular transactions entered into by such Funds (the co-investors or investors in such co-investment vehicles) which may include individuals and entities that are not investors in any Funds;
- Employees, business associates and other “friends and family” of the Adviser, its affiliates or its personnel (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles) (collectively, “Adviser Investors”) and/or third parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Funds in particular transactions entered into by such Fund(s); and
- Adviser Investors and/or third parties acting as “co-sponsors” with the Adviser with respect to a particular transaction.

The Adviser makes allocation determinations consistent with the requirements set forth herein and in accordance with its written policies and procedures.

The Adviser generally intends to establish the Funds such that one Fund’s life cycle will overlap with the creation of the next Fund. Furthermore, Funds may be established with investment objectives centered on particular investment strategies, sectors, or geographic zones, and the investment objectives of these

Funds may overlap to some degree. Therefore, investment opportunities may be available for the participation of several Funds at any given time. The Funds may be subject to investment allocation requirements (collectively, “Investment Allocation Requirements”). Investment Allocation Requirements are generally set forth in the Governing Documents or in side letters. To the extent the Investment Allocation Requirements of the Funds do not include specific allocation procedures and/or allow the Adviser discretion in making allocation decisions among the Funds, the Adviser will follow the process set forth below with respect to allocation of investment opportunities.

The Adviser must first determine which Funds and/or other parties are eligible to participate in an investment opportunity. The Adviser assesses whether an investment opportunity is appropriate for a particular Fund(s), based on the Fund’s investment objectives and investment limitations, investment strategies and structure, which are typically reflected in such Fund’s offering documents. Prior to making any allocation to a Fund of an investment opportunity, the Adviser determines what additional factors may restrict or limit the offering of an investment opportunity to the Fund. Possible restrictions include, but are not limited to:

- **Obligation to Offer:** The Adviser may be required to offer an investment opportunity to one or more Funds.
- **Related Investments:** The Adviser may offer an investment opportunity related to an investment previously made by a Fund(s) to such Fund(s) to the exclusion of, or resulting in a limited offering to, other Funds.
- **Legal and Regulatory Exclusions:** The Adviser may determine that certain Funds or investors in such Funds should be excluded from an allocation due to specific legal, regulatory and contractual restrictions placed on the participation of such persons in certain types of investment opportunities or based on restrictions and limitations applicable to the Adviser (whether regulatory or otherwise).

Once the Adviser identifies the Funds that are eligible to participate in a particular investment, the Adviser, in its discretion, decides how to allocate such investment opportunity among the identified Funds. In allocating such investment opportunity, the Adviser may consider some or all of a wide range of factors, which may include, but are not necessarily limited to, one or more of the following:

- Each Fund’s investment objectives and investment focus;
- Each Fund’s liquidity and reserves, in particular reserves for follow-on investments (including whether a Fund is able to commit to invest all capital required to consummate a particular investment opportunity);
- Each Fund’s structure, investment limitations, partnership agreement or other governing documents and terms of offering;
- Amount of capital available for investment by each Fund as well as each Fund’s projected future capacity for investment (including whether a Fund is able to invest all capital required to consummate a particular investment opportunity);
- The suitability as a follow-on investment for a current portfolio company of a Fund or to upsize an existing investment;

- Transaction sourcing (and with respect to an investment opportunity originated by a third-party, the relationship of a particular Fund to or with such third-party);
- Each Fund's diversification (including the actual, relative or potential exposure of a Fund to the type of investment opportunity in terms of its existing portfolio);
- Lender covenants and other limitations;
- Any "ramp-up" period of a newly established Fund;
- The size, liquidity and duration of the investment;
- Each Fund's targeted rate of return;
- Stage of development of the prospective portfolio company or other investment and anticipated holding period of the portfolio company;
- Composition of each Fund's portfolio and each Fund's investment concentration parameters (including, without limitation, parameters such as geography, industry, issuer, volatility, leverage or other similar risk metrics);
- The availability of other suitable investments for each Fund;
- Supply or demand of an investment opportunity at a given price level;
- Risk considerations;
- Cash flow considerations;
- The likelihood of current income;
- The centrality of an investment to a Fund's strategy;
- Asset class restrictions;
- Industry and other allocation targets;
- Minimum and maximum investment size requirements;
- Tax and accounting implications;
- Whether an investment opportunity requires additional consents or authorizations from the Fund, investors or third parties;
- Legal, contractual or regulatory constraints; and
- Any other relevant limitations imposed by or conditions set forth in the offering documents, partnership agreements or other governing documents of each Fund.

The application of the factors set forth above and in the Investment Allocation Requirements will often

result in allocation on a non-pro rata basis and there can be no assurance that the Funds will participate in all investment opportunities that fall within their investment objectives. The Adviser makes allocation determinations based solely on its expectations at the time such investments are made, however investments and their characteristics may change and there can be no assurance that an investment allocated to one Fund may prove to have been more suitable for another Fund in hindsight.

Allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. For example, in allocating an investment opportunity among Funds with differing fee, expense and compensation structures, the Adviser has an incentive to allocate investment opportunities to the Funds from which it or its related persons derive, directly or indirectly, higher fees, compensation or other benefits. Notwithstanding the foregoing, the Adviser will not allocate investment opportunities among the Funds based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Fund, (ii) the profitability of any Fund, or (iii) any person's interest in offering or participating in co-investment opportunities outside of any Fund. While the Adviser determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in their sole discretion, there can be no assurance that the Funds' actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser is subject, discussed herein, did not exist.

In addition, members, officers, principals, employees and other personnel of the Adviser, as well as officers, principals, employees and other personnel of the Associated Advisers and their affiliates (collectively, "Adviser Personnel") invest indirectly in and may be permitted to invest directly in the Funds and other Associated Funds and may therefore participate indirectly in investments made by the Funds in which they invest. Furthermore, the Adviser and the Associated Advisers and their officers, directors, employees and other personnel can elect to invest alongside an Associated Fund directly into a portfolio company up to a predetermined percentage of the total investment (the "Adviser Personnel Investment"). Such interests will vary by Fund and may create an incentive to allocate particularly attractive investment opportunities to the Funds in which such personnel hold a greater interest. The existence of these varying circumstances presents conflicts of interest in determining how much, if any, of certain investment opportunities to offer to the Funds. For the avoidance of doubt, the Adviser Personnel Investment will also have the effect, in some cases, of reducing the amount of an investment opportunity available to the Funds, and in other cases, will reduce the amount of co-investment opportunities available to investors.

A conflict also arises in allocating an investment opportunity if the potential investment target could be acquired by either one Fund or another Fund, or a portfolio company of one Fund or of another Fund. In making such an allocation determination, the Adviser will consider one or more of the factors set forth above and will make a determination in its good faith discretion.

In general, investments sourced by the Adviser that are appropriate for a Fund will first be made available to such Fund. Similarly, investments sourced by an Associated Adviser that are appropriate for other Associated Funds advised by such Associated Adviser will first be made available to such Associated Funds. The Adviser and the Associated Advisers have substantial discretion in allocating investment opportunities. The foregoing methodology for allocation of investment opportunities will likely vary over time and will be on a case-by-case basis. See "*Management of the Funds and other Associated Funds*," below for more of a discussion on conflicts relating to management of the Funds and other Associated Funds.

### ***Allocation of Follow-on Investments***

The Adviser's general policy is to consider follow-on investment opportunities in a particular portfolio

company on a priority basis for the Fund(s) that has an existing investment in such portfolio company, subject to any specific provisions related to the allocation of follow-on investment opportunities



described in the offering documents, partnership agreements or other governing documents of any particular Fund(s). If Funds of different vintages (i.e., Funds formed at different times) have an existing investment in a portfolio company, follow-on investment opportunities for that company generally will be first considered for the Funds that made the most recent investment in such portfolio company; provided, that, subject to any consents or other conditions expressly required under the organizational documents of the applicable Funds, the Adviser may allocate such opportunities differently if it determines, in its sole discretion, that such different allocation is appropriate under the circumstances (including, without limitation, if one of the Funds lacks sufficient unreserved capital for such follow-on investment or lacks sufficient liquidity in order to make such follow-on investment or is overly concentrated in securities of such company). To the extent that there is additional capacity in a follow-on investment opportunity after it is considered for the Fund(s) with an existing investment in the portfolio company, the Adviser may offer such opportunity to other Funds, or co-investors.

Follow-on investment opportunities may present conflicts of interest for the Adviser, including determination of the terms of the new round of financing. In some cases, a Fund (including a co-investment vehicle) participating in a follow-on investment may be allocated certain investment amounts by nature of that Fund's pro rata ownership in the applicable portfolio company to the extent the Fund has preemptive rights, rights of first refusal or similar rights in connection with its investment in such portfolio company. In addition, a Fund (including a co-investment vehicle) may participate in recapitalization transactions involving portfolio companies in which the Fund has already invested or will invest. Conflicts of interest arise in connection with the foregoing scenarios, including in regard to determinations of whether existing investors (which may include a Fund) are disposing of their investment in a portfolio company at a price that is higher or lower than market value and whether new investors (which may include another Fund, including a co-investment vehicle) are paying too much or too little for securities of a portfolio company or purchasing portfolio company securities with terms that are more or less favorable than prevailing market terms.

Furthermore, a conflict of interest also arises because a Fund that participates in a follow-on investment in a portfolio company held by another Fund will benefit from the initial evaluation, investigation and due diligence undertaken by the Adviser on behalf of the original Fund and from operational or other information about such portfolio company acquired from the original Fund's ownership of interests in the portfolio company. In such circumstances, such benefitting Fund or Funds will not be required to reimburse the original Fund for expenses incurred in connection with researching such investment. An investment by one or more other Funds in any such portfolio company may dilute the original Fund's interest in such portfolio company.

#### ***Allocation of Co-Investment Opportunities and Secondary Transactions***

The Adviser will determine if the amount of an investment opportunity exceeds the amount the Adviser determines would be appropriate for the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to the Adviser and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by the Adviser to be in the best interest of the Fund), and any such excess may be offered to one or more co-investors pursuant to the procedures included in the Governing Documents or, to the extent not addressed in the Governing Documents, in accordance with the following paragraphs. There may be circumstances where the Adviser determines, for strategic or other reasons, the amount that could have otherwise been invested by the Funds is instead allocated to one or more co-investors.

In addition, co-investment vehicles may be formed to make investments alongside the Funds. In such cases, the co-investment vehicle will have a priority right to make co-investments in some or all of the investments made by such Fund. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the investors.

Subject to any Investment Allocation Requirements, in general, (i) no investor in the Funds has a right to participate in any co-investment opportunity and investing in the Funds does not give an investor any rights, entitlements or priority to co-investment opportunities, (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of the Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities typically will be offered to some and not other investors, in the sole discretion of the Adviser or its related persons, investors may be offered a smaller amount of co-investment opportunities than originally requested and an investor may be offered fewer co-investment opportunities than other investors, with the same, larger or smaller capital commitments to the Funds, (iv) certain persons other than investors (e.g., other Funds, consultants, joint venture partners, Adviser Investors, persons associated with a portfolio company and other third parties, including persons who the Adviser believes will provide a benefit to the Funds and/or one or more portfolio companies or who provide a strategic sourcing or similar benefit to the Adviser, the Funds, and/or a portfolio company and one or more of their respective affiliates, due to industry or regulatory expertise or otherwise), rather than one or more investors, will, from time to time be offered co-investment opportunities, in the sole discretion of the Adviser or its related persons, and (v) co-investors will generally purchase their interests in a portfolio company at the same time as the Funds. Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Additionally, non-binding acknowledgements of interest in co-investment opportunities do not require the Adviser to notify the recipients of such acknowledgements if there is a co-investment opportunity. However, the Adviser from time to time agrees to give particular investors, other Funds, or other third parties priority access to co-investment opportunities. The existence of such priority or other contractual co-investment access rights could affect the Adviser's decision to offer certain opportunities for co-investment and could limit the ability of the Funds or their investors to be offered certain co-investment opportunities.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the Funds and other potential co-investors, the Adviser may consider some or all of a wide range of factors, which include, but are not limited to, its own interests and/or one or more of the following:

- The Adviser's evaluation of the size and financial resources of the potential co-investment party and the Adviser's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise, and other resources or similar synergies) to efficiently and expeditiously participate in the investment opportunity with the Funds without harming or otherwise prejudicing the Funds, in particular when the investment opportunity is time-sensitive in nature, as is typically the case (including whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required);

- Any confidentiality concerns the Adviser has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- Whether a potential co-investment party has a history of participating in opportunities and the Adviser's perception of its past experiences and relationships with that potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by the Adviser and the expected amount of negotiations required in connection with a potential co-investment party's commitment;
- The character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry);
- Level of demand for participation in such co-investment opportunity;
- The ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party's relationship with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- The extent to which a potential co-investment party has been provided a greater amount of co-investment opportunities relative to others;
- Whether the potential co-investment party would require any governance rights that would complicate the transactions (or, alternatively, whether the potential co-investment party would be willing to defer to the Adviser and assume a passive role in governing a portfolio company);
- Any interests a potential co-investment party has in any competitors of the portfolio company;
- The Adviser's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- The Adviser's evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing;
- The Adviser's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Funds to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Fund wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Fund being able to capitalize on a potential investment opportunity);

- Whether the potential co-investment party will make commitments to invest in other Funds or other Associated Funds (including concurrently with the applicable co-investment); and
- Whether the Adviser believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing or similar benefits) to current or future Funds or other Associated Funds and/or the Adviser or Associated Advisers and whether the potential co-investment party has demonstrated a long-term and/or continuing commitment to the potential success of the current or future Funds or other Associated Funds and/or the Adviser or Associated Advisers.

The factors above are not listed in order of importance or priority and the Adviser is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. The Adviser's exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Funds, potential co-investors, Adviser Investors and third parties, and in the manner discussed above, often will not result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons. For example, the Adviser may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons (including, for example, whether the Adviser and/or the applicable general partners are entitled, under arrangements made with certain potential co-investment parties, to additional management fees and/or carried interest based on the availability of co-investment opportunities offered to such parties).

In the event the Adviser determines to offer an investment opportunity to co-investors, there can be no assurance that the Adviser will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Funds or that expenses incurred by the Funds with respect to the syndication of the co-investment will not be substantial, and the Funds bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of the Funds and as a result, may take a different view from the Adviser as to appropriate strategy for an investment or may be in a position to take a contrary action to the Funds' investment objective. In the event that the Adviser is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, the Funds may consequently hold a greater concentration and have more exposure in the related investment opportunity than was initially intended and would bear the entire portion of any fees, costs and expenses related to such investment, which could make the Funds more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce the Funds' overall investment returns. Therefore, it is possible that the Funds will overcommit to an investment and will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

The Adviser or its affiliates may establish dedicated co-investment vehicles for specific investors in order to facilitate investments by the relevant investors as co-investment parties alongside the Funds. Any

such vehicle will be established at the Adviser or its affiliates' sole discretion and the Adviser and its affiliates have no obligation to offer a similar opportunity to any other investor.

In addition, to the extent the Adviser has discretion over a secondary transfer of interests in the Funds, or is asked to identify potential purchasers in a secondary transfer, the Adviser will do so in its sole discretion, generally taking into account the following factors:

- The Adviser's evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;
- The Adviser's perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Funds or other Associated Funds and/or the Adviser or Associated Advisers and the expected amount of negotiations required in connection with a potential purchaser's investment;
- Whether the potential purchaser would subject the Adviser, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media or other burdens;
- A potential purchaser's investment into another Fund (including any commitment into a future fund);
- Requirements in the Governing Documents or other governing documents; and
- Such other facts as it deems appropriate under the circumstances in exercising such discretion.

***Investments Alongside Other Funds or other Associated Funds***

Conflicts also arise when a Fund makes investments in conjunction with an investment being made by another Fund or other Associated Fund, or in a transaction in which another Fund or other Associated Fund has already made an investment. Investment opportunities are appropriate for one Fund and another Fund or other Associated Fund at the same and in different or overlapping levels of a portfolio company's capital structure, including in cryptocurrency tokens issued by such portfolio company. Conflicts may also arise in determining the terms of investments, particularly where these clients may invest in different types of securities in a single portfolio company. Questions arise as to whether payment obligations and covenants should be enforced, modified or waived, whether payments should be accelerated, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, the terms of any work-out or restructuring or other concessions that may be given in such a situation raise conflicts of interest, and the Adviser or an Associated Adviser may be incentivized to choose a course of action that benefits one Fund or other Associated Fund to the detriment of another Fund or other Associated Fund.

There can be no assurance that the return on the Funds' investments will not be less than the returns obtained by other Funds or other Associated Funds participating in the transaction. Employees and related persons of the Adviser and the Associated Advisers have made or may make large capital investments in or alongside certain other Funds or other Associated Funds, and therefore will have additional conflicting interests in connection with joint investments. In addition, a conflict will arise in allocating an investment opportunity if the potential investment target could be acquired by another

Fund or other Associated Fund. The Adviser and the Associated Advisers will determine all matters relating to structuring transactions and capitalizing portfolio companies, including the amount and terms of securities and allocation of securities among the Funds and/or other Associated Funds, each using its best judgment considering all factors it deems relevant, but in its sole discretion.

If additional capital is necessary as a result of financial or other difficulties of a portfolio company, or to finance growth or other opportunities, a Fund or other Associated Fund(s) may or may not provide such additional capital, and if provided, a Fund and other Associated Fund(s) will supply such additional capital in such amounts, if any, as determined by the Adviser and the relevant Associated Adviser(s) in their sole discretion. In the event another Fund or other Associated Fund is unable to fund its share of additional capital (e.g., in the event such Fund or other Associated Fund does not have sufficient available capital), a Fund may be obligated to fund more than its share of such amount. In such an event, such Fund will gain greater exposure to such investment than may have been intended and the other Fund or other Associated Fund will be diluted in such investment. The returns of such Fund may be negatively impacted as a result of the foregoing. Investments by more than one Fund or other Associated Fund(s) in a portfolio company also raises the risk of using assets of one Fund to support positions taken by other Funds and other Associated Funds, or one Fund may remain passive in a situation in which it is entitled to vote. The Adviser and each Associated Adviser will resolve all such conflicts using its best judgment but in its sole discretion, subject in certain cases to approval by the advisory boards or similar committees of the participating investment funds.

There may be differences in timing of entry into, or exit from, a portfolio company for reasons such as differences in strategy, existing portfolio or liquidity needs. In addition, where more than one Fund or other Associated Fund invests in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time or on the same terms. For example, because the Adviser has an incentive to show realized returns in connection with other fundraising activities (including fundraising for a successor fund) or because one Fund's term may expire before the end of another Fund's term, such Funds may dispose of the investment at different times. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Fund may realize different returns as compared to the same investment held by another Fund. These variations in timing may be detrimental to a Fund. At the same time, if the Adviser determines it is advisable for a Fund to exit an investment at the same time as another Fund or other Associated Fund, the term of which may expire sooner than the former Fund's, such fund may dispose of its interest earlier than it ordinarily would have and may, as a result, experience lower returns than it otherwise may have earned on such investments.

The application of the Adviser's and the Associated Advisers' policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by a Fund and one or more other Fund or other Associated Fund in different classes of an issuer's capital structure, including in cryptocurrency tokens (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed.

From time to time the Adviser or an Associated Adviser may, in its discretion, enter into transactions with investors, investors in, one or more Funds or other Associated Funds, co-investors, Adviser Investors or third parties to dispose of, or "sell down," all or a portion of certain investments held by one or more Funds. In exercising its discretion to select the purchaser(s) of such investments, the Adviser will comply with the requirements set forth in the organizational documents of the applicable Fund, or to the

extent not addressed in the organizational documents, the Adviser may consider some or all of the factors listed above under *“Allocation of Co-Investment Opportunities and Secondary Transactions.”* The sales price for such transactions will be mutually agreed to by the Adviser and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Adviser and the Adviser is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, which means the Adviser may not obtain the highest price for the transaction. Furthermore, the Adviser may charge (or may decide not to charge) a purchasing party interest costs for the time period between the closing of the Funds’ investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable purchasing party. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the Funds.

The Funds will, from time to time, enter into equity commitment arrangements whereby, subject to any applicable documentation, a Fund agrees that upon the closing of a transaction with respect to a potential portfolio company, it will purchase equity securities in a transaction. Furthermore, in certain instances the Funds will also enter into (a) limited guarantee arrangements whereby, subject to any applicable documentation, a Fund agrees that if a transaction with respect to a potential portfolio company is not consummated, it will pay a percentage of the total value of the transaction as a “reverse termination fee” to the seller entity and (b) full guarantee arrangements where a Fund agrees to close a transaction even if the debt financing for such transaction is not available or has not been funded. While certain co-investment vehicles with investments contractually tied to the Funds (including co-investment vehicles through which Adviser Personnel participate) are generally obligated to pay their proportionate share of the equity purchase price (whether pursuant to the Governing Documents, other governing document, or otherwise), such co-investment vehicles are generally not direct parties to the equity commitment arrangements or guarantees and, in any event, are not obligated to pay their proportionate share of any reverse termination fee. Therefore, in the unlikely event that a co-investment vehicle defaults on an arrangement with a Fund to pay its proportionate share of the equity purchase price (if any) or such an arrangement does not exist, such Fund would be held responsible for the entire equity purchase price or other applicable obligations.

The Fund, from time to time, co-invests with third parties through partnerships, joint ventures or other similar entities or arrangements. These investments may involve risks and conflicts that would not otherwise be present in investments where a third party is not involved. Such risks include, among other things, the possibility that the third party may have differing economic or business goals than those of the Funds, or that the third party may be in a position to take actions that are inconsistent with the investment objectives of the Funds. There may also be instances where the Funds will be liable for the actions of such third-party co-investors. There can be no assurance that the return of one Fund in such a transaction with a third party would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

### ***Cross-Transactions***

In certain cases, the Adviser will cause a Fund to purchase investments from another Fund, or it may cause a Fund to sell investments to another Fund. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Fund may not receive the best price otherwise possible, or the Adviser might have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for

example, to earn fees. Additionally, in connection with such transactions, the Adviser and its affiliates and/or their professionals (i) will, from time to time, have significant investments, or intentions to invest, in a Fund that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). The Adviser and its affiliates generally receive management or other fees in connection with their management of the relevant Fund involved in such a transaction, and generally are entitled to share in the investment profits of the relevant Fund. To address these conflicts of interest, in connection with effecting such transactions, the Adviser may consult with its limited partner advisory board and will follow the investment allocation requirements of the relevant Funds which may provide for the rebalancing of investments at certain times and at a cost set forth in those documents so that such Funds' resulting ownership of investments is generally proportionate to the relative capital commitments of such Funds. To the extent such matters are not addressed in the investment allocation requirements, the Adviser's Management Committee will be responsible for confirming that the Adviser (i) considers its respective duties to each Fund, (ii) determines whether the purchase or sale and price or other terms are comparable to what could be obtained through an arm's-length transaction with a third party on commercially reasonable terms, and (iii) obtains any required approvals of the transaction's terms and conditions.

### ***Principal Transactions***

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. In connection with the Adviser's management of the Funds, the Adviser and its affiliates may, although do not intend to, engage in principal transactions. The Adviser has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Fund(s) regarding any proposed principal transactions and that any required prior consent to the transaction be received.

### ***Management of the Funds and other Associated Funds***

The Adviser and the Associated Advisers manage a number of funds that may have investment objectives similar to each other. The Associated Advisers focus primarily on different investment strategies, although such investment strategies overlap from time to time. The Adviser and the Associated Advisers expect that they or their personnel will in the future establish one or more additional investment funds with investment objectives substantially similar to, or different (and potentially conflicting) from, those of the current Funds and other Associated Funds. The Adviser may give advice or take actions with respect to the investments of one Fund that may not be given or taken with respect to other Funds or other Associated Funds with similar investment programs, objectives or strategies. As a result, Funds and other Associated Funds with similar strategies will not hold the same securities or achieve the same performance. In addition, one Fund generally may not be able to invest through the same investment vehicles or have access to similar credit or utilize similar investment strategies as other Funds and other Associated Funds. These differences will result in variations with respect to price, leverage and associated costs of a particular investment opportunity.



In addition, it is expected that Adviser Personnel responsible for managing one Fund will have responsibilities with respect to other Funds managed by the Adviser, including funds raised in the future or to proprietary investments made by the Adviser and/or its principals of the type made by such Fund. Conflicts of interest arise in allocating time, services or functions of these Adviser Personnel. Adviser Personnel have an incentive to allocate more time, services or functions to Funds from which such personnel derive a higher economic benefit and/or better performing funds.

The Adviser will, from time to time, consider, and reject an investment opportunity on behalf of one Fund and, the Adviser or an Associated Adviser may subsequently determine to have another Fund or other Associated Fund make an investment in the same company. A conflict of interest arises because another Fund or other Associated Fund will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by the Adviser on behalf of the Fund considering the investment. In such circumstances, the benefitting other Fund(s) or other Associated Fund(s) will not be required to reimburse the other Fund for expenses incurred in connection with researching such investment.

Associated Funds will from time to time invest in assets eligible for purchase by a Fund. Members of the Adviser's advisory board or similar committee who have obligations to an Associated Adviser and other Associated Funds will have a conflict of interest where an investment opportunity may be appropriate for both a Fund and such other Associated Fund advised or managed by such Associated Advisers, and such persons are under no obligation to make any such investment opportunity available to such Fund or to make available to such Fund any other investment opportunity that may arise in connection with the obligations to an Associated Adviser or other Associated Funds. The investment policies, fee arrangements, profits interest, investments owned by personnel of the Adviser or the Associated Advisers with respect to a Fund or another Associated Fund, and other circumstances of such Fund or other Associated Fund, will from time to time vary from those with respect to other Funds or other Associated Funds. The potential for higher profits interest rates (including varying effective rates based on the past performance of another Fund or other Associated Fund) creates an incentive for the Adviser or the Associated Advisers to disproportionately allocate time, services or functions to other Funds or other Associated Funds paying profits interest at a higher rate, or allocate investment opportunities to such other Funds or other Associated Funds. To the extent the Adviser or general partner of a Fund determines that it is desirable for all or any portion of an investment opportunity to be purchased by third parties, including members, strategic partners, other investors or such persons acting as finders or brokers of transactions or other Associated Funds, such opportunity need not be made to other Funds, absent language in the Governing Documents to the contrary. These relationships may present conflicts of interest in determining how much, if any, of certain investment opportunities to offer to the Funds.

The Adviser reserves the right to make independent decisions regarding recommendations of when one Fund or another Fund should purchase and sell investments, and the Associated Advisers reserve similar rights with respect to the Associated Funds that they advise. As a result, a Fund will from time to time be purchasing an investment at a time when another Associated Fund is selling the same or a similar investment, or vice versa. A Fund will from time to time invest in opportunities that another Associated Fund has declined, and likewise, such Fund will from time to time decline to invest in opportunities in which another Associated Fund has invested. These positions and actions may adversely impact, or in some instances may benefit, certain of the other Associated Funds. In particular, another Associated Fund that co-invests with a Fund may have different investment objectives or a different structure than a Fund, including providing its members with liquidity. Such Associated Funds will

under certain circumstances need to exit their investments before such Fund in connection with member redemptions or otherwise, which may have an adverse effect on such Fund's continuing investment in such portfolio company by putting downward pressure on the value of such Fund's interest, which such Fund has opted to hold longer term. The allocation of investments between one Fund and other Funds and other Associated Funds will likely be affected by the Funds' stage in its lifecycle. For example, a newly organized fund may seek to purchase a disproportionate amount of investments until it is ramped up. The other Associated Funds are under no obligation to act in a way that furthers or protects the interests of the Fund. The other Associated Funds could earn a return on its investment that exceeds the Funds' return.

In addition, the Adviser receives and generates various kinds of portfolio company data and other information, including related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics, some of which is sometimes referred to as "big data." This information may, in certain instances, include material non-public information received or generated in connection with efforts on behalf of the Funds' investment (or prospective investment) in a portfolio company. As a result, the Adviser is better able to anticipate macroeconomic and other trends and financial opportunities, enhance and improve operations of portfolio companies and otherwise develop investment strategies. The Adviser also intends to utilize such data for purposes of identifying new investments opportunities for the Funds. Information from a portfolio company owned by a Fund may enable the Adviser to better understand a particular industry and develop and execute investment strategies in reliance on that understanding for the Adviser and other Funds that do not own an interest in such portfolio company, without compensation or benefit to such Fund or its portfolio companies. portfolio companies may incur incremental expenses in collecting and organizing information requested or required to be furnished to the Adviser (which expenses are indirectly borne by the Fund). The Adviser may enter into information sharing and confidentiality arrangements with portfolio companies and other sources of information that may limit the internal distribution and use of such data. The Adviser has already used and is likely in the future in certain instances to use this information in a manner that may provide a material benefit to the Adviser, its affiliates, or to certain other Funds without compensating or otherwise benefitting the fund(s) from which such information was obtained. In addition, the Adviser may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. Furthermore, except for (a) contractual obligations to third parties to maintain confidentiality of certain information, (b) policies, practices and procedures designed to ensure confidentiality of trade secrets and (c) compliance with applicable data privacy laws, laws prohibiting insider trading, anti-competition laws and laws protecting national security interests, the Adviser is generally free to use data and information from the Funds' activities in its sole discretion for the benefit of the Adviser, the Associated Advisers and other Funds and other Associated Funds. The sharing and use of "big data" and other information present potential conflicts of interest and any benefits received by the Adviser or its personnel will not be subject to the management fee offset provisions or otherwise shared with a Fund or other Associated Fund or their investors. The Adviser has in the past utilized and is likely in the future to utilize such information to benefit the Adviser, the Associated Advisers or certain Funds or other Associated Funds in a manner that may otherwise present a conflict of interest resulting from the particular facts and circumstances, but does not intend to specifically disclose such conflicts to the other Funds.

The Adviser and its affiliates may also enter into formal or informal arrangements with portfolio investments to facilitate the sharing of data and/or data analytics. Subject to applicable legal, regulatory and contractual requirements, these information sharing arrangements are designed to allow the Adviser, the Funds and the Funds' portfolio companies to better discern economic or other trends and

developments. The Adviser believes that the Funds benefit from these arrangements in ways that would be impossible without the ability to aggregate data from across the Adviser's businesses and the Funds' portfolio companies. However, information sharing may involve conflicts of interest between the Funds and/or between the Funds and the Adviser. For example, data analytics based on inputs from one portfolio company may inform business decisions by other portfolio investments, or investment decisions by the Adviser and its affiliates, without the source of the data being directly compensated. It is difficult, if not impossible, to measure exactly the benefits any particular entity receives from these kinds of arrangements, or to provide specific and direct monetary compensation for such information. Therefore, the Adviser and its affiliates may utilize such data outside of the Funds' activities in a manner that may provide a material benefit to the Adviser, without directly compensating or otherwise benefiting the Funds. As a result, the Adviser may have an incentive to pursue investments (on its own behalf or on behalf of the Fund) based on the data that may be accessible as a result of owning such investments, and/or to utilize such data in a manner that benefits the Adviser and/or investments held by other Funds.

### ***Conflicts Relating to the General Partner and the Adviser***

Adviser Personnel and other related persons of the Adviser and its affiliates have made and may make capital investments in or alongside the Funds and other Associated Funds. These investments are often at different times or in non-pro rata amounts, or in different classes or levels of the capital structure. Such persons therefore have additional conflicting interests in connection with these investments.

By reason of their responsibilities in connection with other activities of the Adviser or the Associated Advisers, certain Adviser Personnel may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information. Due to these restrictions, the Funds may not be able to initiate a transaction that they otherwise might have initiated and may not be able to sell an investment that they otherwise might have sold.

The Funds from time to time invest in securities of companies in which Adviser Personnel and other related persons of the Adviser and its affiliates have previously invested for their own accounts. Furthermore, Adviser Personnel and other related persons of the Adviser's and its affiliates from time to time invest for their own accounts in securities of companies in which a Funds has previously invested. While the significant interests of the Adviser Personnel generally align the interest of such persons with the Funds, such persons may have differing interests from the Funds with respect to such investments (for example, with respect to the availability and timing of liquidity), creating conflicts of interest. There can be no assurance that the return of one Fund participating in a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflicts not existed.

The Adviser, its affiliates, and members, officers, principals and employees of the Adviser and its affiliates will from time to time buy or sell securities, cryptocurrency, digital assets or other instruments that the Adviser has recommended or will recommend to the Funds. Adviser Personnel may also buy securities or digital assets in transactions offered to but rejected by the Funds. A conflict of interest may arise because such investing Adviser Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Adviser on behalf of the Funds. In such circumstances, the investing Adviser Personnel will not share or reimburse the Funds and/or the Adviser for any expenses incurred in connection with the investment opportunity. In addition, a potential

exists for such personnel to realize significantly higher investment returns than any Fund investment generates for its investors as a result of these investments. Subject to the terms of the Governing Documents and the Code of Ethics, Adviser Personnel are permitted to, and do from time to time, trade in digital assets and cryptocurrencies prior to the purchase of such assets by the Funds. While this Adviser Personnel trading activity may benefit the Funds by giving them access to certain investment opportunities they may not otherwise have access to, it also presents conflicts of interest because, among other things, the Adviser Personnel has an incentive to recommend that a Fund invest in the assets purchased by such personnel because the Fund investment may have the effect of increasing the value of the personnel's investment. In addition, Adviser Personnel investment prior to Fund investment could have the effect of limiting investment opportunities for the Fund if there are limited investment opportunities in such asset. The Governing Documents and Code of Ethics contain restrictions on personal trading activity and are designed to mitigate conflicts of interest associated with such personal trading activity.

In addition, Adviser Personnel may also buy securities and hold interests as passive investors in other investment vehicles (including venture capital funds, private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Funds and/or which may invest in similar industries and sectors as the Funds. Such Adviser Personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same portfolio companies as the Funds and there may be situations in which such investment vehicle purchases securities from, or sells securities to, the Funds. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. Such personnel may be incentivized to cause the Funds to act in a manner that benefits such other investment vehicles and, indirectly, themselves as investors in such investment vehicles.

The transactions described above are subject to the policies and procedures set forth in the Adviser's Code of Ethics and investors in a Fund will not benefit from any such investments.

Adviser Personnel may from time to time have family members that are actively involved in industries and sectors in which the Funds invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies which are actual or potential investments of the Funds or other counterparties of the Funds and the portfolio companies. Moreover, in certain instances, the Funds or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. In most such circumstances, the Governing Documents will not preclude the Funds from undertaking any of these investment activities or transactions.

From time to time, Adviser Personnel may invest in funds or other entities managed by investors or limited partners of another Fund or other Associated Fund, which could incentivize such Adviser Personnel to afford the investor preferential or favored treatment, such as, for example, increased access to co-investment opportunities, and could create conflicts of interest to the extent such other funds compete with another Fund for investment opportunities or invest in competing portfolio companies.

In addition, Adviser Personnel pursue and oversee other outside business activities. Time spent by Adviser Personnel performing such functions will create conflicts with respect to time such persons have available

to devote to other activities of the Adviser, and may lead to other conflicts of interest that will be monitored by the Adviser's Chief Compliance Officer.

### ***Management Fees and Other Fees Payable to the Adviser***

As described in the Governing Documents, as compensation for investment supervisory services rendered to a Fund, the investors generally pay the Adviser an annual management fee, typically calculated based on committed capital with respect to such Fund. The management fees and other fees and distributions described herein are generally subject to modification, waiver or reduction by the Adviser in its sole discretion, both voluntarily and on a negotiated basis with selected investors via side letter and other arrangements, which may not be disclosed to other investors. The management fee for one Fund may differ from other Funds, as well as among investors.

The management fees paid by the Funds will generally be reduced dollar-for-dollar by (1) the fees incurred by the Adviser in connection with the organization of the Funds that exceed a certain percentage of the Funds' aggregate subscriptions and (2) certain Other Fees (as defined and described in more detail below under "Other Fees") received by the Adviser or its affiliates as set forth in this Brochure and the Governing Documents.

The Adviser may, in its sole discretion, elect to waive management fees or carried interest, in whole or in part, for certain Adviser Investors, friends and family and strategic investors in connection with their investment in the Funds. Furthermore, the Adviser may, from time to time in the future establish certain investment vehicles through which Adviser Investors or other third parties may invest alongside the Funds in one or more investment opportunities, which generally do not pay management fees or carried interest. Notwithstanding that Adviser Investors will generally not pay management fees, Adviser Investors will generally pay for their pro rata share of certain Fund expenses or the pro rata portion of such Adviser Investors' expenses will be allocated to the Adviser or the general partner of the applicable Fund.

The Adviser from time to time enters into economic and/or other fee sharing arrangements with respect to one or more Funds and/or certain members thereof, the rights of which will not generally be made available to other members.

In addition, the Adviser may waive or reduce all or a portion of the management fee paid by the Funds in full or partial satisfaction of any obligation of the Adviser and certain employees and affiliates of the Adviser to invest in and alongside the Funds, which could result in acceleration of investor capital contributions. Waived or reduced management fees are not generally subject to various offsets or the reductions described above. Due to waived or reduced management fees and/or the timing of receipt of compensation subject to offsets, Fund investors may not receive the full benefit of reductions or offsets (e.g., during periods when the Adviser no longer receives management fees and receives compensation that would otherwise be subject to offset, the Adviser, depending on certain elections that may be made by Fund investors, may be entitled to retain such compensation without remitting any such amounts to the Funds or their investments).

### ***Other Fees and Expense Reimbursement***

In addition to the management fees and carried interest, the Adviser and its affiliates from time to time receive a variety of other cash, equity and other non-cash fees relating to the investment activities of the Funds, their portfolio companies and prospective portfolio companies including monitoring fees,

breakup fees, broken deal fees, transaction fees and success fees or other remuneration (including any options, warrants or other equity securities but excluding reimbursement of expenses) (collectively with the other fees described in this section, “Other Fees”). The amount and timing of Other Fees received by the Adviser or its affiliates are generally specified in the agreement or other documentation governing the applicable transaction.

Other Fees are often substantial and may be paid in cash, in securities of the portfolio companies, prospective portfolio companies or investment vehicles (or rights thereto) or otherwise. The payment of Other Fees and reimbursements by portfolio companies and prospective portfolio companies will, in some, but not all, circumstances create a conflict of interest between the Adviser and its affiliates, and the Funds and the investors because the amounts of these Other Fees and reimbursements are often substantial and the Funds and its investors generally do not have a direct interest in these fees and reimbursements. The Adviser determines the amount and timing of these Other Fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions. Generally, the amount of such fees and reimbursements will not (except in connection with the reductions described herein) be disclosed to investors.

In many cases with respect to the implementation of the arrangements described above, there is not an independent third-party involved on behalf of the relevant portfolio company and therefore the fees are not subject to a market check. A conflict of interest exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio company by virtue of the Adviser acting on behalf of both parties.

#### ***Allocation of Other Fees and Management Fee Offset***

Although Other Fees are in addition to the management fees, the Adviser will in some circumstances reduce the amount of management fees paid by a Fund in connection with the receipt of such Other Fees in accordance with the Governing Documents. Generally, for purposes of calculating any management offset, Other Fees are net of out-of-pocket costs and expenses incurred by the Adviser in connection with consummated or unconsummated transactions or in connection with generating any such fees.

To the extent any Other Fees relate to one Fund and one or more other Fund or co-investment vehicle participating (or expecting to participate) in an investment, the Adviser shall determine the portion of such amounts to be applied based on the relative amounts invested in such portfolio investment by each Fund or co-investment vehicle or on such other basis that the Adviser determines to be fair and reasonable in its sole discretion. However, in determining how to allocate Other Fees among one Fund and such other participating Funds or co-investment vehicles, the Adviser will also take into account, among other things, the type of transaction (e.g., original acquisition or follow-on), the consideration involved in the transaction (cash or in-kind) and the value of the consideration.

To the extent an Other Fee relates to a Fund, co-investment vehicle or third-party investor that does not pay management fees or to capital committed by the Fund investor that does not pay management fees, the portion of such Other Fee allocable to the non-fee paying party or investor will be retained by the Adviser and such amounts will not offset any management fee paid to the Adviser.

From time to time, the Adviser (in its sole discretion) agrees to pay a portion of an Other Fee received from an actual or prospective portfolio company to a third party, such as a consultant, advisor, finder,

broker, co-investor and/or investment bank. The Adviser is not required to share the portion of the Other Fee paid to a third-party with a Fund (or its investors) and, therefore, the portion of an Other Fee paid to such third-party will not reduce the management fee.

### ***Fee Structure***

The general partner may be required to return excess amounts of carried interest as a “clawback”. This clawback obligation may create an incentive for the general partner to defer disposition of one or more investments or delay the liquidation of a Fund if the disposition and/or liquidation would result in a realized loss to such Fund or would otherwise result in a clawback situation for the general partner.

The general partner is permitted to cause a Fund to distribute the general partner’s share of securities resulting from an investment disposition by such Fund to the general partner or its affiliates (including Adviser Personnel) in kind, while disposing of members’ share of such securities and distributing the net cash proceeds of such sale of securities to the members. This ability creates conflicts of interest between the general partner and the members of such Fund. The general partner is particularly incentivized to receive distributions in-kind of securities that it expects to increase in value, and in cases where the increase occurs, if the members received cash distributions instead of in-kind distributions, the members will be denied the benefits of that increase had the Fund retained the securities and the general partner will receive more value from the securities than it would have had its carried interest been paid in cash. In the event the general partner, or its affiliates, receive such a distribution, the general partner will generally act in its own interest with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which the investor sells its distributed securities), or hold on to the distributed securities for such time as the general partner shall determine. The ability of the general partner to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner or affiliate, as an adviser to the Funds. These conflicts may be exacerbated due to the enhanced knowledge and information the general partner has relative to the members with respect to such securities.

The general partner may elect to receive its carried interest in the form of an in-kind distribution of securities of a portfolio company, including for purposes of permitting the general partner personnel to donate such securities to charity (which may include private foundations, fund or other charities so chosen by such personnel). Any tax efficiencies to such general partner personnel associated with this form of charitable giving may have the effect of reinforcing or enhancing the general partner’s incentives otherwise resulting from the existence of its carried interest and therefore, the general partner may have a conflict of interest in making decisions on behalf of the Funds (including, for instance, the timing of disposition of investments).

### ***Allocation of Fees and Expenses***

The appropriate allocation among Funds (including among the Funds and any parallel vehicles), other Associated Funds, investors and third parties of expenses and fees generated in the course of evaluating potential investments which are not consummated, such as out-of-pocket fees associated with due diligence, attorney fees and the fees of other professionals, will be determined by the Adviser, the Associated Advisers and their respective affiliates in good faith, consistent with the organizational documents of the Funds and other Associated Funds, as applicable.

The appropriate allocation among a Funds other Funds and other Associated Funds of expenses and fees generated in the course of evaluating and making investments often will not be clear, especially

where more than one Associated Fund participates. For instance, if a Fund and another Associated Fund are considering making an investment that is not consummated, allocation of the expenses generated for the account of such Associated Funds (such as expenses of common counsel and other professionals) will be made in good faith. Generally, when the Adviser or Associated Advisers incur expenses that are related to more than one Associated Fund, they will typically allocate such expense among all Associated Funds eligible to reimburse expenses of the applicable nature. In general, the Adviser and each relevant Associated Adviser will participate in the resolution of all such matters using its best judgment, considering all factors it deems relevant, but in its sole discretion.

Investments sourced and evaluated by the Adviser that are deemed inappropriate and rejected for investment by the Funds have in the past and may in the future be offered to the Associated Advisers for investment by other Associated Funds or for Adviser Personnel. The other Funds, other Associated Funds or Adviser Personnel will, for some investments, benefit from the evaluation and due diligence undertaken by the Adviser on behalf of the Funds. In such circumstances, the other Funds, other Associated Funds and/or Adviser Personnel that have invested will be allocated the expenses, as determined in good faith by the applicable general partner of the applicable Fund or other Associated Fund, incurred by the Adviser or Associated Advisers, as appropriate, and/or incurred by the applicable Funds or other Associated Funds as they relate to such investment.

It is possible that other Funds, other Associated Funds and/or Associated Advisers may benefit from research materials initially procured in the course of evaluating potential investments on behalf of the Funds without agreeing to share expenses with the Funds for such research materials.

In addition, the Adviser, from time to time, engages one or more fund administrators or similar service providers to perform certain functions in relation to a Fund, which services may include coordination of such Fund's legal entity management function, execution and recordkeeping associated with applicable tax elections and filings, support for the valuation process and investor correspondence, investor data management and reporting requests as well as data collection required for various regulatory reporting with which such Fund is required to comply. In certain instances, employees of such service providers dedicate substantially all of their time to the Funds or spend all or a significant majority of their business time at the Adviser's offices. These expenses related to such service provider employees are borne by the Funds.

From time to time, the general partner of a Fund creates certain "special purpose vehicles" or similar structuring vehicles for purposes of accommodating certain tax, legal and regulatory considerations of investors ("SPVs"). In the event the general partner creates an SPV, consistent with the Governing Documents, the expenses related to its organization and formation and other expenses incurred solely for the benefit of the SPV will typically be borne by the SPV, and indirectly, the investors thereof. In addition, expenses of the types borne by a Fund but associated with any feeder fund or similar vehicle organized to facilitate the participation of certain investors (including, without limitation, expenses of accounting and tax services) may be borne by such Fund and indirectly, the investors thereof (even if such investors do not participate in any such feeder fund or similar vehicle).

### ***Co-Investment Vehicle Fees and Expenses***

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment by investors to invest alongside the Funds may be formed in connection with the consummation of a transaction. Consistent with the Governing Documents, in the event a co-investment vehicle is created



to invest alongside a Fund and its co-investment vehicle shall share common Fund expenses related to portfolio investments in proportion to the capital invested by each entity in such investment, and all other Fund expenses (other than the management fee) in proportion to their relative subscriptions, in each case to the extent practicable.

If a proposed transaction is not consummated, no such co-investment vehicle generally will have been formed, and the full amount of any expenses relating to such proposed but not consummated transaction ("Dead Deal Costs") would therefore be borne by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction. Furthermore, if a proposed transaction is not consummated and a co-investment vehicle has been formed for the purpose of making an investment in such proposed transaction (or co-investors have otherwise committed to invest in the proposed transactions), the Dead Deal Costs incurred in connection with such proposed transactions are generally borne solely by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction, but not to the co-investment vehicle or other co-investor(s) to which the co-investment opportunity was offered. Similarly, co-investment vehicles (and co-investors) are not typically allocated any share of break-up fees received in connection with such an unconsummated transaction. Dead Deal Costs may include, among other things, legal, accounting advisory, consulting or other third-party expenses (including amounts payable to other third parties), any travel and travel-related expenses, all fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investment (including commitment fees), any break-up fees, reverse termination fees, topping, termination or other similar fees, extraordinary expenses such as litigation costs and judgments and other expenses, and any deposits or down payments of cash or other property which are forfeited in connection with a proposed investment that is not consummated.

### ***Fund Level Borrowing***

The Funds from time to time borrows funds or enters into other financing arrangements for various reasons, including to pay fund expenses and liabilities, to pay management fees, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, to cover any shortfall resulting from an investor's default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all members in such Fund on a pro-rata basis, including the general partner. The Funds will also utilize subscription facilities to benefit co-investment parties. For example, a Fund will borrow to fund a co-investment party's pro rata share of an investment or expense related to an investment. While the Adviser expects that all parties (including the general partner and any co-investment party) will bear their pro rata share of the interests expenses allocable to the extension of credit, such Fund will bear a disproportionate amount of the credit risk in incurring the debt on behalf of the other parties.

In addition, credit facilities for the Funds are available to provide borrowed funds directly to the portfolio companies of the Funds, in which case such borrowed funds would be guaranteed by such Funds. In such instances a Fund would bear the sole liability for the borrowed funds in the event of a default, and as a result, such portfolio company and any of its other investors (including direct investments by the general partner and any co-investor, including employee co-investment vehicles) benefit from the credit risk taken by the Fund's guarantee.

To the extent a Fund uses borrowed funds in advance or in lieu of capital contributions, such Fund's investors generally make correspondingly later capital contributions, but such Fund will bear

the expense of interest on such borrowed funds. As a result, the Funds' use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally make net IRR calculations higher than they otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions, but will correspondingly lower absolute returns to the investors due to increased interest expense. The general partner therefore has a conflict of interest in deciding whether to borrow funds because the general partner may receive a benefit (e.g., in marketing for other Funds) from reporting higher net IRR calculations even though the absolute return to investors is reduced by such borrowing.

To the extent a subscription facility is due upon demand by a lender (such as upon an event of default or otherwise), such a demand may be issued at an inopportune time at which liquidity is generally constrained, potentially resulting in greater defaults as a result of such liquidity constraints and/or investors facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. The batching of capital calls may amplify the magnitude of potential defaults by investors as a result of there being fewer but larger capital calls. Moreover, the existence of a subscription facility may impair an investor's ability to transfer its interest in a Fund as a result of restrictions imposed on such transfers by the lender.

Borrowing by a Fund will generally be secured by capital commitments made by the members to such Fund and/or by the Fund's assets, and documentation relating to such borrowing may provide that during the continuance of a default under such borrowing, the interests of the investors may be subordinated to such Fund-level borrowing. Moreover, tax-exempt investors should note that the use of borrowings by a Fund may cause the realization of unrelated business taxable income.

### ***Investment of Digital Assets Developed by Portfolio Companies***

The Adviser from time to time causes a Fund to purchase digital assets developed or offered by portfolio companies of another Fund or other Associated Fund. The Adviser may be incentivized to purchase (and not divest) digital assets developed or offered by portfolio companies of another Fund or other Associated Fund, which raises a conflict of interest in that such arrangement may be more advantageous for the applicable portfolio company than to such Fund.

### ***Investments in Digital Assets / Cryptocurrency by Adviser Personnel***

Subject to the terms of the Code of Ethics and any restrictions and exceptions set forth in the Governing Documents and other governing documents, Adviser Personnel generally are not prohibited from personally making investments in digital assets and cryptocurrency. In addition, as described herein, a general partner (and, in turn, the principals in their capacity as members of a general partner) and the principals (in their capacity as limited partners of the Fund) may receive and retain withdrawal proceeds from a Fund in kind. A general partner and the principals are particularly incentivized to receive proceeds in-kind of assets that they expect to increase in value, and in cases where such increase occurs, if the other limited partners received cash distributions instead of in-kind distributions, the other limited partners will be denied the benefits of that increase had such Fund retained the securities and a general partner and the principals will receive more value from the assets than they would have had the proceeds been paid in cash.

Adviser Personnel have, in some cases, prior investments, purchased before joining the Adviser, in digital assets and cryptocurrency which are also positions held by a Fund.

Principals and employees of the Adviser serving as directors may make decisions for a portfolio company that negatively impacts returns received by a Fund. In addition, the Adviser, its affiliates and its employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for a Fund. These activities may adversely affect the prices and availability of other investments held by or potentially considered for purchase by a Fund.

***Business with and Among portfolio companies and Investors and Prospective Investors***

Given the collaborative nature of the Adviser's and the Associated Advisers business and the portfolio companies in which the Funds have invested, there are often situations where the Adviser is in the position of recommending the services of a portfolio company to other portfolio companies of one Fund or other Funds, which may involve fees, commissions, servicing payments and/or discounts to the Adviser, an affiliate, or a portfolio company. The Adviser will generally have a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds. The benefits received by a portfolio company providing a service may be greater than those received by a Fund and its portfolio companies receiving the service.

Current and former officers and executives of portfolio companies may also invest in the Funds. While the Adviser believes this aligns portfolio company management teams with the best interests of the Funds, the Adviser may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio company in order to maintain the goodwill with such portfolio company management team investor.

In certain instances, a Fund's portfolio company competes with, is a customer of, or is a service provider to, another Fund or other Associated Fund's portfolio company. In providing advice to a portfolio company's business, the Adviser may consider the interests of one portfolio company or Fund and is not obligated to, and need not, take into consideration the interests of portfolio companies or other Funds.

As a result, a conflict of interest may arise in these instances because advice and recommendations provided by the Adviser to a portfolio company of one Fund may have adverse consequences to a portfolio company owned by other Funds. The performance and operations of a competitor, customer or service provider portfolio company could conflict with, and adversely affect the performance and operations of another portfolio company, or could adversely affect prices, business opportunities or potential acquisition opportunities. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company, withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price, increase its own prices, purchase assets from, or sell assets to, another portfolio company, commence litigation against another portfolio company, or prevent one portfolio company from commencing litigation against another portfolio company.

The Adviser and/or its affiliates may engage in business opportunities arising from a Fund's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). This creates a conflict of interest, as such interests are a benefit arising from such Fund's investment and may vary from other

Funds' interests (e.g., whether to make a follow-on investment and, if so, how much should be allocated to the Fund).

The Fund's portfolio companies may be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other Funds or other Associated Funds that, although the Adviser and the Associated Advisers determine to be consistent with the requirements of such Fund's organizational documents, may not have otherwise been entered into but for the affiliation with the Adviser, and which may provide economic or other benefits to affiliates of the Adviser that are not subject to the management fee offset provisions described herein. For example, the Adviser may in the future cause portfolio companies to enter into agreements regarding group procurement (which may depend on the volume of services purchased under these agreements and which may be pooled across multiple portfolio companies and discounted due to scale), benefits management, data management and/or mining, technology development, purchase or title and/or other insurance policy (which may be pooled across multiple portfolio companies and discounted to scale) and other similar operational initiatives that may result in fees, better pricing, rebates, servicing payments, commissions or similar payments and/or discounts being paid to the Adviser, its affiliates or a portfolio company, including related to a portion of the savings achieved by the portfolio company. While the Adviser may have a conflict of interest because its economic benefit may incentivize the Adviser to maintain such arrangements, the Adviser believes that such agreements benefit the portfolio companies due to increased access to quality products and services at beneficial pricing and the Adviser's benefits from such arrangements are reduced because the Adviser only benefits at the same rate as the portfolio companies. However, it should not be assumed that a company related to, or otherwise affiliated with the Adviser will only take actions that are beneficial to, or not opposed to, the interests of a Fund and its portfolio companies. The Adviser and its affiliates may, from time to time, hire part-time or full-time employees (including interns) who are relatives of, or are otherwise associated with an investor, portfolio company, former portfolio company, investment target, or service provider. Although the Adviser uses reasonable care to mitigate any potential conflicts of interest with respect to each particular situation, there is no guarantee the Adviser can control all such conflicts of interest and there may be a continuing appearance of a conflict of interest (including, for instance, preferential hiring practices).

While less common, from time to time a Fund could hold an investment in a different layer of the capital structure than an investor or another party with which the Adviser has a material relationship, in which case the Adviser could have an incentive to cause such Fund or the portfolio company to offer more favorable terms to such parties (including, for instance, financing arrangements).

### ***Service Providers***

Services required by the Funds (including some services historically provided by the Adviser or its affiliates to the Fund) may, for certain reasons including efficiency and economic considerations, be outsourced in whole or in part to third parties or licensed software, in each case in the discretion of the Adviser or its affiliates. This can create a conflict of interest because the Adviser and its affiliates have an incentive to outsource such services at the expense of the Funds to, among other things, leverage the use of Adviser personnel. Such services may include, without limitation, deal sourcing, asset management, information technology, licensed software, depository, data processing, client relations, administration, custodial, marketing and marketing-reviews, accounting, valuation, trading, legal, human resources, client services, compliance, corporate secretarial and tax support, director services and other similar services. Outsourcing may not occur universally for all Funds and accordingly, certain costs may be incurred by one Fund for a third-party service provider that is not incurred for comparable

services by other Funds or other Associated Funds. The decision by the Adviser to initially perform a service for a Fund in-house does not preclude a later decision to outsource such services (or any additional services) in whole or in part to a third-party service provider in the future and the Adviser has no obligation to inform the Funds or investors of such a change. In addition, certain internal service providers (such as internal accountants) may “shadow” or otherwise review the reports of other services provided by such third parties. The costs and expenses of any such third-party service providers will be borne by the Funds.

The Adviser and/or its affiliates may engage certain service providers to provide services to the Adviser, the Funds and/or the portfolio companies, including services during the due diligence and acquisition process. Such service providers or their affiliates are, in certain circumstances, investors or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or other lending arrangements). The engagement of any such service provider may be concurrent with an investor’s admission to a Fund, or during the term of such investor’s investment in such Fund. This creates a conflict of interest, as the Adviser may give such investor preferred economics or other terms with respect to its investment in such Fund, enhanced information or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor. In addition, the Adviser will have a conflict of interest in recommending the retention or continuation of a service provider to the Funds if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in the Funds or will provide the Adviser information about markets and industries in which the Adviser operates, will provide other services that are beneficial to the Adviser and/or will provide financial sponsorship of events held by the Adviser (such as transaction closing dinners or outings, or informational summits or training events for the Adviser or portfolio company personnel). The Adviser generally has an incentive to recommend the products or services of certain investors or prospective investors to a Fund for use or purchase, even though the products or services recommended may not necessarily be the best available to such Fund.

The Adviser may in the future in its discretion, contract directly with, or recommend to the Funds or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with, a related person of the Adviser or an affiliate (including but not limited to a portfolio company of the Fund). When making such a recommendation, the Adviser, because of its financial or other business interest, has an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Additionally, former Adviser employees may also become employees, officers or directors of, or otherwise be engaged by, third-party service providers that provide services to the Adviser, the Funds and/or portfolio companies. While employed by the Adviser, the cost of the compensation, benefits and attributable overhead provided to these individuals are paid by the Adviser except where the Governing Documents permit the Adviser to allocate it as a fund expense. If a former Adviser employee becomes an employee or consultant of a third party that also provides services to the Funds, such former Adviser employee may be assigned by such third party to provide services to that account. In such instance, the cost of the third-party service provider attributable to the former Adviser employee working on a Fund will be borne entirely by such Fund and no such amounts will reduce the management fee paid or the carried interest distributed by the Funds on the basis that such person used to be a former Adviser employee.

Additionally, Adviser Personnel, and/or their family members or relatives may have ownership, employment, or other economic or other interests in certain service providers. These relationships can influence the Adviser in determining whether to select, or recommend such service provider to perform services for the Funds or a portfolio company. Although the Adviser selects service providers that it believes will enhance portfolio company performance (and, in turn, the performance of the Fund), there is a possibility that the Adviser, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Certain other service providers to the Adviser, the Funds and/or the portfolio companies, or affiliates of such service providers, also provide goods or services to or have business, personal, financial or other relationships with the Adviser, its affiliates, or their respective portfolio companies. Such service providers (or their employees) may also source investment opportunities, be co-investors or commercial counterparties or entities in which the Adviser and/or a Fund has an investment, and payments by one Fund and/or such portfolio companies may indirectly benefit the Adviser and/or other Funds.

investors may be introduced to the Adviser, or may be brought into a Fund, by a third-party consultant from which the Adviser or a related person purchases products and to which the Adviser or a related person may make payments, including in connection with conferences sponsored or hosted by the third-party consultant.

The Adviser, its personnel, the Funds and the portfolio companies of the Funds will, from time to time, engage common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to the Adviser, its personnel, the Funds, and/or the portfolio companies. As a result, the Adviser or its personnel from time to time receives a more favorable rate on services provided to it by such a common service provider than those payable by the Funds and/or the portfolio company, or from time to time receives a discount on services even though the Funds and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between the Adviser and its personnel, on the one hand, and the Funds and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that the Adviser will favor the engagement or continued engagement of such persons if it, or its personnel, receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Funds and/or the portfolio companies. Neither the Funds nor investors will receive the benefit of any such favorable rate or discount provided to the Adviser, its personnel or its affiliates, and the management fee paid by the Funds will not be reduced in connection with such favorable rate or discount.

In addition, service providers often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required and the time demands of the service provider. As a result, to the extent the services required by the Adviser or its affiliates differ from those required by the Funds and/or its portfolio companies, the Adviser and its affiliates will pay different rates and fees than those paid by the Funds and/or their portfolio companies.

The Adviser or its affiliates engage certain service providers (including law firms) on behalf of the Funds and personnel of such service provider may in the future be seconded to the Adviser or its affiliates on a temporary basis or serve in an internship capacity, pursuant to various arrangements including at cost or at no cost. The Adviser is, from time to time, a beneficiary of these arrangements as well. Such

personnel may provide services in respect of multiple matters, including in respect of matters related to the Adviser, its affiliates and/or portfolio companies and in any such circumstance the benefits or costs of any such personnel will be allocated in the Adviser's discretion taking into consideration the usage of such personnel. The management fee will not be offset or reduced as a result of these arrangements or any fees, expense reimbursements or other costs related thereto. In such circumstances, a conflict of interest exists because the Adviser or its affiliates have an incentive to select one service provider over another on the basis that the Adviser or its affiliates may receive the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment is borne by the service provider and not the Adviser or its affiliates.

The Adviser and the Funds will generally engage common legal counsel and other service providers in a particular transaction, including a transaction in which there may be conflicts of interest (e.g., cross transactions and other affiliated transactions). Members of the law firms engaged to represent the Funds may be investors, and may also represent one or more portfolio companies or investors. In the event of a significant dispute or divergence of interest between a Fund, the Adviser and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Adviser and its affiliates, and in litigation and other circumstances separate representation may be required.

#### ***Selection of Blockchain Service Providers and Investment in Blockchain Counterparties and Service Providers***

The Adviser may be subject to conflicts relating to its selection of blockchain intermediaries, exchanges and counterparties on behalf of the Funds. Portfolio transactions for the Funds will be allocated to intermediaries, exchanges and counterparties on the basis of numerous factors and not necessarily the lowest pricing. Intermediaries, exchanges and counterparties may provide other services that are beneficial to the Adviser or a Fund, but not necessarily beneficial to other Funds. Limited partners will have no right to request which intermediaries, exchanges and counterparties the Funds transacts with or invest in, and should not expect the Funds to accommodate any such requests.

The Adviser may be incentivized to cause the Funds to invest in businesses that establish third party wallets and exchanges, including business that focus on storage, security and custody of digital assets, particularly where a Fund uses such services. In such cases, businesses in which another Fund invests may receive compensation from another Fund when effecting digital asset transactions. In addition, to the extent that a Fund invests in digital exchanges (through their tokens), the Adviser may have an interest in causing another Fund to make equity investments in such companies.

#### ***Positions with Portfolio Companies***

Adviser Personnel serve as directors of, or observers on boards with respect to, certain portfolio companies. While conflicts of interest may arise in the event that such Adviser Personnel's fiduciary duties as a director conflicts with those of the Funds, it is expected that generally the interests will be aligned. For instance, such positions could impair the ability of a Fund to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on such Fund. Additionally, in the course of any such board service, Adviser Personnel can be expected to receive information with respect to the Funds' investments, potential investments, cryptocurrency or digital assets. In such circumstances, a Fund may be prohibited by law, policy or contract, for a period of time, from (i) investing in certain assets or categories of assets, or pursuing certain investment opportunities, (ii) selling an investment and (iii) taking any larger

position in an existing investment. Furthermore, an Adviser Personnel serving as a director to a portfolio company owes a fiduciary duty to the portfolio company, on the one hand, and a Fund, on the other hand, and such Adviser Personnel may be in a position where they must make a decision that is either not in the best interest of such Funds, or is not in the best interest of the portfolio company. Adviser Personnel serving as directors may make decisions for a portfolio company that negatively impact returns received by a Fund investing in the portfolio company. In addition, to the extent an Adviser Personnel serves as a director on the board of more than one portfolio company, such Adviser Personnel's fiduciary duties among the two portfolio companies may create a conflict of interest. Certain decisions made by a director may subject the Adviser, its affiliate or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Funds will indemnify the Adviser and Adviser Personnel from such claims. Adviser Personnel serving in a director or observer role are required to remit any remuneration they may receive as directors to the applicable Fund. In addition, Adviser Personnel may leave the employment of the Adviser or its affiliates and become an officer or employee of a portfolio company. Adviser Personnel are prohibited from receiving consulting, management or other fees personally from portfolio companies.

From time-to-time Adviser Personnel may also be asked to serve as directors of, or observers with respect to, certain entities in which a Fund has fully exited its ownership interest and/or following the termination of such person's employment with the Adviser. In such circumstances, any compensation or fees received with respect to such exited investment and/or by such former employee is not subject to the management fee offset described above, or otherwise shared such the Fund and/or investors.

In addition, the Adviser may continue to receive other fees from a portfolio company after a Fund has fully exited its ownership interest (for instance, in respect of consulting arrangements or group purchasing arrangements). In such circumstances, any fees received with respect to such exited investment is not subject to the management fee offset described above, or otherwise shared with such Fund and/or investors.

In connection with co-investment opportunities, some co-investors (which may include one or more investors) are often provided with the opportunity to serve on the board of directors or board of advisors of the applicable portfolio company. Positions on board of directors or board of advisors of such portfolio companies provide such co-investors with voting rights, access to information and the ability to potentially influence the operations and decision-making of the portfolio company that are not available to other investors. In certain cases, co-investors have contractual rights that require the approval of the co-investors for certain major actions relating to the applicable portfolio company, such as a sale of the company or the issuance of additional equity by the company. Such rights may limit the ability of the Adviser to take actions with respect to the portfolio company that the Adviser considers to be in the best interests of a Fund.

Certain personnel of the Adviser or its affiliates may also be temporarily seconded to or otherwise engaged by certain portfolio companies on either a full-time or a part-time basis to provide services to such portfolio companies. In such instances, the portfolio companies will pay such person's directors' fees, salaries, consultant fees, other cash compensation, stock options, other equity grants or other compensation and incentives and may reimburse the Adviser or such persons for any travel costs or other out-of-pocket expenses incurred in connection with the provision of their services. The Adviser may also advance compensation to seconded employees and be subsequently reimbursed by the applicable portfolio companies. Any compensation customarily paid directly by the Adviser or its affiliates to such



persons will typically be reduced to reflect amounts paid directly or indirectly by the portfolio company even though the management fee paid or carried interest distributed by a Fund to the Adviser will not be reduced. Any amounts paid to such persons by a portfolio company (or paid by the Adviser and reimbursed by a portfolio company) will not reduce the management fee otherwise payable to the Adviser or any carried interest otherwise payable to the Adviser or its affiliates. All or a portion of any such compensation and incentives will be borne by such Fund, directly or indirectly, via its ownership interest in such portfolio company. In certain instances, whether an individual who provides services to a portfolio company should be categorized as an employee of the Adviser, a former employee of the Adviser or a seconded employee may not be clear. In such cases, the Adviser will make a determination in good faith based on an evaluation of the facts and circumstances.

### ***Other Potential Conflicts***

From time to time, questions may arise regarding certain parties' rights and obligations in certain situations, some of which may not have been contemplated upon the negotiation and execution of such documents. In some instances, the operative provisions of the Governing Documents and other governing documents, if any, may be broad, unclear, general, conflicting, ambiguous, and vague and may allow for multiple reasonable interpretations. In other instances, there may not be a directly applicable provision. While the Adviser will construe the relevant provisions in good faith and in a manner consistent with its fiduciary duty and legal obligations, the interpretations used may not be the most favorable to a Fund or its investors.

The Adviser and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Funds, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses may result in "miles" or "points" or credit in loyalty/status programs to the Adviser and/or its personnel, and such benefits, rewards and/or amounts (whether or not *de minimis* or difficult to value), will exclusively benefit the Adviser and/or such personnel even though the cost of the underlying service is being borne by a Fund, its investors and/or the portfolio companies. Any such benefits, rewards and/or amounts will not be subject to the offset arrangements described above or otherwise shared with such Fund, its investors and/or the portfolio companies. In addition, airline travel incurred as a Fund expense for an Adviser Personnel travelling for appropriate Fund-related purposes (including, without limitation, travel related to a portfolio company, a prospective portfolio company or other Fund-related matter) may benefit such Adviser personnel to the extent the trip also serves a personal purpose.

In addition, the Adviser or its personnel, on behalf of the Adviser, from time to time receives interests in a Portfolio Company. In such event, the recipient will generally act in its own interest with respect to the interests received (including, for instance, determining to sell the distributed interests, or hold on to the distributed interests for such time as such recipient shall determine in its sole discretion). The ability of such recipients, to act in their own interest with respect to the interest received creates a conflict of interest between the Adviser, as an adviser to the Funds and its personnel, on the one hand, and the Funds, on the other hand because the recipient's interests may not be aligned with those of the Funds and the recipient may determine to sell the interest received at a different time, or on different terms, than a Fund would sell its interest.

The Adviser may, in its discretion, in the future have, and may, in its discretion, cause the Funds and/or their portfolio companies to have, ongoing business dealings, arrangements or agreements with

persons who are former employees or executives of the Adviser. The Funds and/or their portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there may be a conflict of interest between the Adviser and a Fund (or its portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that the Adviser may favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person.

The Adviser has in the past and may, from time to time in the future, cause the Funds to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the Funds, the general partner, the Adviser and/or Adviser Personnel and their respective agents, representatives, members of the advisory committee and other indemnified parties, against liability in connection with the activities of the Funds. This may include a portion of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by the Adviser that cover one or more Funds and/or the Adviser (including Adviser Personnel and their respective agents, representatives, members of the advisory committee and other indemnified parties). The Adviser will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among the Funds, and/or the Adviser on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in the Funds bearing less (or more) premiums, fees, costs and expenses for insurance policies.

The Adviser is permitted to withhold information from certain members or investors in certain circumstances. For instance, information may be withheld from members that are subject to the Freedom of Information Act or similar requirements. The Adviser may elect to withhold certain information to such members for reasons relating to the Adviser’s public reputation or overall business strategy, despite the potential benefits to such members of receiving such information.

### ***Diverse Investor Group***

The investors may have conflicting investment, tax and other interests with respect to their investments in the Funds. The conflicting interests of individual investors may relate or arise from, among other things, the nature of investments made by the Funds, the structuring or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with the decisions made by the Adviser, including with respect to the nature or structuring of investments that may be more beneficial for one investor than for another investor, especially with respect to investors’ individual tax situations. In selecting and structuring portfolio investments appropriate for a Fund, the Adviser will consider the investment and tax objectives of such Fund and its partners as a whole, not the investment, tax or other objectives of any investor individually.

### ***General Partner’s Profits Interest***

The capital contribution of the general partner will represent a smaller percentage of a Fund’s capital than the capital contributions of the investors as a whole. Investors will invest greater amounts and receive a proportionately smaller interest in the profits of the Funds than the general partner. Because the percentage of profits allocated to the general partner will exceed the capital percentage of the general partner, the general partner may have an incentive to make investments that are riskier or more speculative than if the general partner received allocations on a basis identical to that of the

investors or were compensated on a basis not tied to the performance of the Funds. Because, under current law, the holding period for long-term capital gain in respect of carried interest differs from the regular holding period for long-term capital gain, the general partner may have an incentive to hold an investment for a longer period of time than it otherwise would if the regular holding period for long-term capital gain applied.

### ***Side Letters***

The general partner may, from time to time in its sole and absolute discretion, enter into so-called “side letters” concerning an investor’s investment in a Fund. Generally, a side letter may (i) contractually require the general partner to take or prohibit the general partner from taking, certain actions concerning the investor’s investment in such Fund (ii) contractually require the general partner to permit the applicable investor to take, certain actions concerning the investor’s investment in such Fund, (iii) provide greater transparency rights into such Fund’s portfolio, or (iv) provide for economic terms which are more favorable for the applicable investor than the economic terms of the other investors. The general partner may, but is not required to, disclose the existence or terms of any such side letters to any other investor or to offer the terms of any such side letters to any other investor. If the general partner enters into a side letter concerning an investor’s investment in a Fund, that investor may have rights that are more or less favorable in some respect to other investors. Any such side letter will only be entered into by the general partner to the extent it is consistent with the powers granted to the general partner by the Governing Documents and its fiduciary duties.

## **Item 12. Brokerage Practices**

### ***Selection of Brokers***

For each of the Funds, the Adviser has, subject to the direction of such Fund's general partner, if applicable, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. In placing each transaction for a Fund involving a broker-dealer, the Adviser will seek “best execution” of the transaction. “Best execution” means obtaining for a Fund account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer. Best execution is not limited solely to the consideration of the best available commission rate.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, the Adviser's Managing Partner takes into account all factors that it deems relevant to the broker's or dealer's execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker, dealer or other intermediary, and the quality of service rendered by the broker or dealer in other transactions. In addition, the Adviser may consider the use of Electronic Communications Networks (“ECNs”) when placing trades on behalf of the Funds. When purchasing or selling over-the-counter securities with market makers, the Adviser generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

In order to monitor best execution, the Adviser's Managing Partner, in consultation with the Adviser's Chief Compliance Officer, will periodically monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of the Adviser and each Fund.

We anticipate utilizing centralized cryptocurrency exchanges or decentralized finance protocols (each a “Trading Venue”) for certain Fund transactions. Before we begin trading with a Trading Venue, we will review, as applicable, the Trading Venue’s operational, financial, and regulatory status. We will perform periodic reviews of Trading Venues, which will vary in frequency and intensity based on the perceived counterparty exposure of the Adviser and its Funds. For Trading Venues that only provide execution services on a delivery-versus-payment basis, we anticipate that the reviews will be limited in scope and less frequent. For arrangements where the counterparty exposure is expected to be more significant, the reviews will generally be more intensive and frequent, including but not limited to diligence regarding data privacy and security.

#### *Research and Other Soft Dollar Benefits*

Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements create a potential incentive for us to select a broker based on our interest in receiving the research or other products or services offered by such broker, rather than on our clients’ interests in receiving most favorable execution. Further, soft dollar arrangements pose a possible conflict of interest for us in that such arrangements potentially allow us to pay with client commissions expenses that would otherwise be borne by us.

We do not expect to enter into soft dollar arrangements with brokers. However, if we enter into soft dollar arrangements in the future, we will comply with the safe harbor requirements of Section 28(e) of the Securities Exchange Act of 1934, as amended.

#### *Brokerage for Client Referrals*

We do not receive client referrals from any brokers.

#### *Aggregation of Orders*

In pursuing the Funds’ investment objectives, we may cause multiple Funds to purchase and sell publicly traded securities through brokers. If we have determined to sell or purchase a publicly traded security at the same time for more than one Fund, we will generally place combined orders for all such Funds while assigning pre-order allocations. If an order for more than one Fund for a publicly traded security cannot be fully executed, we will allocate the investments in accordance with the Adviser’s allocation policies and procedures. We generally aggregate trade orders for publicly traded securities so that each participating Fund will receive the average price for each execution of a transaction.

### **Item 13. Review of Accounts**

#### *Review of Accounts*

It is each investment team’s responsibility to understand which investment restrictions apply to which Funds under its management, and to ensure that any transaction for a Fund is consistent with the investment restrictions applicable to that Fund. The Adviser closely monitors the portfolio companies of the Funds and generally maintains an ongoing oversight position in such portfolio companies. The

portfolios are reviewed by a team of investment professionals on an on-going basis. The team generally includes the Managing Partner and other investment professionals of the Adviser.

### *Reporting*

We will furnish investors in the Funds with periodic written unaudited performance reports as set forth in their Governing Documents. In addition, on an annual basis, we will provide investors with a copy of the relevant Fund's annual audited financial statements and, if applicable, a statement of taxable income (Schedule K-1).

Pursuant to "side letter" or other agreements, we provide certain investors with access to more frequent and/or more detailed information regarding the Funds' securities positions, performance, finances, and management and/or other information about the Funds or us.

In addition, investors are provided with certain information about us and the Funds in response to questions and requests. This information may not be distributed to other investors or prospective investors. Each investor is responsible for asking such questions as it believes are necessary in order to make its own investment decisions and must decide for itself whether the limited information provided by us is sufficient for its needs.

The Adviser and the applicable general partner will from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

### **Item 14. Client Referrals and Other Compensation**

We do not expect that we will receive any economic benefits from third parties in connection with the provision of investment advice to the Funds. For details regarding economic benefits provided to the Adviser by non-clients, including a description of related material conflicts of interest and how they are addressed, please see *Item 11* above.

We do not compensate any third-party marketers for introductions to potential investors or clients.

### **Item 15. Custody**

The Adviser will maintain funds and securities owned by the Fund with qualified, third-party custodians in accordance with Rule 206(4)-2 under the Advisers Act. The Funds will be 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 us.

Due to the nature of digital assets, qualified, third-party custodians may not be able or willing to maintain such digital assets. In such instances, we will seek to comply with Rule 206(4)-2 under the Advisers Act to the extent practicable.

Digital assets are cryptographic bearer instruments that exist solely on the blockchain, a public, distributed ledger. Thus, unlike with traditional assets, where protecting the asset itself is

important, with digital assets, what is important to protect is access to the bearer cryptographic private keys underpinning the digital assets. Any loss of a private key will cause a Fund to lose access to its digital assets on the blockchain (while the assets still exist, they are forever unusable and unrecoverable). The exposure of a cryptographic private key will permit a third-party to transfer the digital assets to a blockchain address under its own control.

Thus, the Adviser seeks to safeguard access to the private keys that give control over a Fund's digital assets. Primarily, a Fund will utilize a "qualified custodian" (as defined under the Investment Advisers Act), often a state-chartered trust company, to safeguard its private keys. However, the Funds face limitations in their ability to utilize qualified custodians. There are a limited number of qualified custodians that custody private keys. Further, those qualified custodians that do custody private keys are limited to certain protocols and may not support trading within the custodial solution with respect to those protocols that it does cover. For example, while Coinbase has a custodial solution with a qualified custodian, Coinbase Custody Trust Company LLC, no trading is permitted from that entity – the digital assets must first be transferred to the digital asset exchange, Coinbase, Inc., which itself is not a qualified custodian. The inability to conduct trading, either at all or on many of the Digital Assets in which Funds invest, out of qualified custodians remains an issue. To the extent trading is permitted out of a qualified custodian (but also other entities), the non-qualified custodians may provide better execution than the qualified custodian.

For these reasons, the Adviser utilizes in limited instances direct custody of a Fund's private keys. Although the Adviser is not a qualified custodian, it believes that its policies and procedures are reasonably designed to safeguard digital assets. Potential Investors should note that this is an evolving area, in which technical aspects of existing SEC rules may conflict with a Fund's best interests in practice. To provide Investors assurance regarding the safekeeping of a Fund's assets, the Adviser provides the client reports and distributes annual audited financial statements. Investors should carefully review the audited financial statements of the Funds upon receipt, and should compare these statements to any account information provided by the Adviser or Fund administrators.

The Adviser approaches any direct custody solution with the same objective as it does with qualified custodians: it seeks to secure a Fund's private keys while also permitting that Fund to effectively implement its investment strategy. In limited instances, the Adviser may custody the

private keys internally. However, there are also third-party security solutions that, while not custodial themselves (meaning, the Adviser still retains custody under the Custody Rule), in certain cases permit better security than that which the Adviser is able to create internally. These solutions only work with certain protocols, so the Adviser can only use these solutions when the applicable protocol is included in the solution.

Regardless of what sort of custodial solution the Adviser is evaluating, it employs a comprehensive due diligence process regarding custodial solutions that it believes have reasonably designed security systems that will protect each Fund's assets. The Adviser occasionally re-reviews its custodial solutions. However, regardless of the Adviser's diligence, the systems and methodologies of the custodial solutions utilized by a Fund may be subject to exposure from hacking, malware, and general security threats. To the extent that the security system protecting a Fund's private keys is penetrated, or that a smart contract is misused, any loss of a Fund's digital assets may adversely affect the Investors, and could result in total loss of capital.

#### **Item 16. Investment Discretion**

We will have discretionary authority to manage securities and other investments on behalf of the Funds. The investors in the Funds generally will not be able to place any limits on our authority beyond the limitations set forth in their respective Governing Documents. Under certain circumstances, we may contract with an investor to adhere to limited risk and/or operating guidelines imposed by the investor. We would negotiate such arrangements on a case-by-case basis.

#### **Item 17. Voting Client Securities**

The Funds will invest in private companies which typically do not issue proxies. Under certain limited circumstances, however, we may be required to vote proxies, and we have adopted proxy voting policies and procedures, which are summarized below. In situations where we vote proxies, we will vote proxies in the best interest of the Funds, which generally means voting to maximize the value of the relevant company held by the Funds taking into account the relevant Fund's investment horizon, the contractual obligations under the relevant advisory agreements or comparable documents, and any other relevant facts and circumstances the Adviser determines to be appropriate at the time of the vote. The Adviser does not permit voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

To the extent that we trade in public securities, digital assets, or invest in DAOs for client accounts, we will generally have voting discretion over such assets. Clients are generally not able to direct their votes in a particular situation. In these instances, we will vote in the best interests of each client.

In the absence of specific voting guidelines from the client or conflicts of interest, we will generally vote all proxies in the best interests of each client, which may result in different voting results for proxies for the same issuer.

In addition, we may determine to abstain from voting a proxy if we believe that such action is in the best interest of a particular Fund. Specifically, for Fund investments in certain digital assets, we will generally abstain from voting on various protocols since the costs associated with voting such votes outweigh the benefits to the relevant Funds.

All voting decisions initially are referred to the Adviser's CCO or appropriate investment professional for a

voting decision. In most cases, the Adviser's CCO or a member of the Management Committee will make the decision as to the appropriate vote for any particular vote. In making such decision, he or she may rely on any of the information and/or research available to him or her. If the investment professional is making the voting decision, the investment professional will inform the CCO of any such voting decision, and if the CCO does not object to such decision as a result of his or her conflict of interest review, the vote will be voted in such manner.

The CCO, in conjunction with our Managing Partner, will monitor votes for any conflicts of interest, regardless of whether they are actual or perceived. Investment professionals will escalate any potential or actual conflict of interest or perceived conflict of interest regarding any particular voting decision to the CCO. The CCO in coordination with the Managing Partner will apply best judgment to address any such conflict of interest and ensure that it is resolved in accordance with the CCO's independent assessment of the best interests of the Funds.

Copies of relevant proxy logs, identifying how proxies were voted in connection with a Fund and copies of proxy voting policies are available to any client or prospective client upon written request to the Chief Compliance Officer.

**Item 18. Financial Information**

Item 18 is not applicable to the Adviser.

**Item 19. Requirements for State-Registered Advisers**

Item 19 is not applicable to the Adviser.