

COINFUND MANAGEMENT LLC

**5 Bryant Park, Suite 1003
New York, New York 10018**

March 27, 2024

This “**Brochure**” provides information about the qualifications and business practices of CoinFund Management LLC. If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer (“**CCO**”), Stewart Eichner, by email at stewart@coinfund.io. Information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “**SEC**”) or by any state securities authority.

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

Additional information about CoinFund Management LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

This Brochure, dated March 27, 2024, is filed as an annual updating amendment. There have been no material changes since the last annual amendment was filed in March 2023 but CoinFund has made routine changes to this Brochure with respect to Fees and Compensation, Methods of Analysis, Investment Strategies and Risk of Loss and Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Prospective and current Clients should carefully review this Brochure in its entirety.

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Item 4: Advisory Business

CoinFund Management LLC (hereinafter “**CoinFund**”, the “**Investment Manager**”, or the “**Firm**” and depending on the context, combined with the relevant general partner or managing member of one or more of our Clients, “**we**”, “**us**”, or “**our**”) is organized as a Delaware limited liability company with a principal place of business in New York, New York.

We will provide discretionary investment management services to qualified investors through our private funds:

- CoinFund LP, a Cayman Islands exempted limited partnership (the “**Seed II Master Fund**”);
- CoinFund Offshore LP, a Cayman Islands exempted company (the “**Seed II Offshore Fund**”);
- CoinFund Onshore LP, a Delaware limited partnership (the “**Seed II Onshore Fund**”);
- CoinFund Liquid Opportunities LP, a Cayman Islands exempted limited partnership (the “**Liquid Opportunities Master Fund**”);
- CoinFund Liquid Opportunities Offshore LTD, a Cayman Islands exempted company (the “**Liquid Opportunities Offshore Fund**”);
- CoinFund Liquid Opportunities Onshore LP, a Delaware limited partnership (the “**Liquid Opportunities Onshore Fund**”);
- CoinFund Ventures LP-QP Portfolio, a Cayman Islands exempted limited partnership (the “**Seed III Master Portfolio**”);
- CoinFund Ventures Onshore QP LP, a Delaware limited partnership (the “**Seed III Onshore QP Fund**”);
- Coin Fund Ventures LP-3(C)(1) Onshore Portfolio, a Cayman Islands exempted limited partnership (the “**Seed III Master Onshore Portfolio**”);
- CoinFund Ventures Onshore LP, a Delaware limited partnership (the “**Seed III Onshore Fund**”);
- Coin Fund Ventures LP-3(C)(1) Offshore Portfolio, a Cayman Islands exempted limited partnership (the “**Seed III Master Offshore Portfolio**”);
- CoinFund Ventures Offshore LP; a Cayman Islands exempted limited partnership (the “**Seed III Offshore Fund**”);
- CoinFund Seed IV Onshore LP, a Delaware limited Partnership (the “**Seed IV Onshore Fund**”);
- CoinFund Seed IV Offshore LP, a Cayman Islands exempted limited partnership (the “**Seed IV Offshore Fund**”);
- CoinFund Seed IV LP, a Cayman Islands exempted limited partnership (the “**Seed IV Master Fund**”);
- CoinFund Ventures I Onshore LP, a Delaware limited partnership (the “**Ventures I Onshore Fund**”);
- CoinFund Ventures I Offshore LP, a Cayman Islands exempted limited partnership (the “**Ventures I Offshore Fund**”);
- CoinFund Ventures I Onshore LP, a Cayman Islands exempted limited partnership (the “**Ventures I Master Fund**”);
- CoinFund LLC, a Delaware limited liability company (“**CoinFund LLC**”);
- CF Metaversal Holdings, a Series of CF Growth Investments LLC, a Delaware limited liability company (“**CF Metaversal**”); and
- CF TRD, a Series of CF Growth Investments LLC, a Delaware limited liability company (“**CF TRD**”).

The above-mentioned funds are herein each referred to as a **“Fund”** or **“Client”**, and collectively referred to as the **“Funds”** or the **“Clients”**. The **Seed II Master Fund, Seed III Master Portfolio, Seed III Master Onshore Portfolio, Seed III Master Offshore Portfolio, Seed IV Master Fund, Ventures I Master Fund** and **Liquid Opportunities Master Fund** are each a **“Master Fund”** and are collectively referred to as the **“Master Funds”**.

The limited partners in our Clients structured as limited partnerships are herein referred to as **“Limited Partners”**; the members of our Clients structured as limited liability companies are herein referred to as **“Members”**; and the and our shareholders in our Clients structured as exempted limited companies are herein referred to as **“Shareholders”**; and collectively are hereafter referred to as the **“Investors”** where appropriate.

We serve as the investment adviser, with discretionary trading authority, to private, pooled investment vehicles. We do not tailor our advisory services to the individual needs of any particular Investor.

Our investment decisions and advice with respect to our Clients are subject to each Client’s investment objectives and guidelines, as set forth in its respective offering documents which may include (depending on the specific Client) the Client’s organizational documents, subscription agreements, and a private placement memorandum (the **“Offering Documents”**).

As of December 31, 2023, CoinFund manages approximately \$906,050,090 in regulatory assets under management on a fully discretionary basis. CoinFund does not manage any of its clients’ assets on a non-discretionary basis nor does it participate in a wrap fee program.

Item 5: Fees and Compensation

The fees applicable to each of the Clients are set forth in detail in the corresponding Offering Documents. A brief summary of such fees is provided below.

Management Fee

Our Clients pay us a management fee calculated at the annual rate of up to 3.0% of such Investor's Capital Account (the "**Management Fee**"). Depending on the specific Client, the Management Fee shall be payable monthly or quarterly and in advance or arrears, based on the value of each Investor's Capital Account as of such period. The Management Fee will be prorated for any period that is less than a full period and will be adjusted for contributions made during the period, where applicable.

In our sole discretion, we may waive or modify the Management Fee for Investors that are our members, employees or affiliates, relatives of such persons and for certain large or strategic investors.

Other Types of Fees or Expenses

We are authorized to incur and pay in the name and on behalf of our Clients all expenses which we deem necessary or advisable.

We are responsible for and shall pay, or cause to be paid, all of our own ordinary administrative and overhead expenses, including, without limitation, all costs and expenses related to rent, furniture, fixtures, equipment, office supplies, clerical expenses and all salaries, bonuses and benefits paid to, or on behalf of, our personnel.

The Clients bear and shall be responsible for their own expenses, including, but not limited to: (i) Management Fees; (ii) all expenses incurred in connection with the business, affairs and operations of the Client, including the sourcing, due diligence, purchase, acquisition, holding, transfer or sale of any actual or prospective investment (whether or not consummated, i.e., "broken-deal" fees and expenses), to the extent not reimbursed by portfolio companies or potential portfolio companies, including all commission, brokerage, placement, underwriting, registration, legal, accounting, tax advisory, professional or consulting fees and expenses (unless otherwise reimbursed), merger fees and expenses payable to third parties, research expenses, data processing costs and expenses, bank service fees, interest expenses, borrowing charges, custodial expenses, outsourced risk management advisory and software, investment-related consultants, travel costs that are research-related and other investment expenses, all expenses related to meetings and business-related entertainment with portfolio company personnel, intermediaries and personnel affiliated with prospective portfolio companies or prospective strategic partners of portfolio companies; (iii) all administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance, and consulting costs and expenses; (iv) all fees, costs and expenses related to middle office operations which may include daily reconciliation of cash, cost, positions, and valuations; (v) all professional fees, costs and expenses (including those relating to legal, advisory, regulatory, administrative, custodial, audit, accounting, consulting (including professional due diligence services and "expert" networks, if any), appraisal, valuation and compliance services rendered), including all costs of establishing and operating entities related to the Carried Interest or Performance Fees earned by the Client's general partner, and all costs and expenses, if any, incurred in connection with the Client's legal and regulatory compliance with U.S. federal, state and local

and non-U.S. or other law or regulation (including, by way of a non-exhaustive list, the PFA, CIMA, Foreign Account Reporting Regimes and the Alternative Investment Fund Managers Directive, as each may be amended from time to time, as applicable, and the preparation and administration of any reports, disclosures, “know your client” compliance under applicable law, filings or notifications prepared in accordance with the foregoing) or related to compliance with the provisions of the Offering Documents or any side letter or similar agreements; (vi) costs and expenses associated with preparing investor communications, printing, and mailing costs including the costs and fees of maintaining any portal or website in which such items are made available; (vii) insurance costs and expenses (e.g., for the assets of the Client, D&O, E&O); (viii) marketing and syndication expenses of the Client’s; (ix) any taxes, fees or other governmental charges levied against the Client and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Client; (x) Client’s governmental licensing, filing, and exemption fees (including Blue Sky filing fees); (xi) indemnification obligations of the Client; (xii) all expenses (including reasonable attorneys’ fees) incurred in connection with any threatened, pending, or anticipated legal, regulatory, administrative or other action, IRS examination or audit, or similar audit or examination by any state or local taxing authority, or other legal proceeding; (xiii) all of the costs, fees and expenses incurred by or on behalf of the Client or the General Partner in connection with the formation and organization of the Client or the General Partner, including legal and accounting fees and expenses incident thereto; (xiv) all expenses incurred in connection with the securing of financing, including but not limited to the arranging, negotiation, structuring, entering into, amending and all other documentation of agreements with one or more lenders and all principal and interest on, and fees and expenses arising out of, all permitted borrowings and guarantees made by the Client; (xv) all expenses incurred in connection with any restructuring or amendments to the constituent documents of the Clients and related entities; (xvi) all costs related to the holding of meetings of a Client’s Investors, the Advisory Committee (if applicable), and members of any executive network group established by the Client’s General Partner (in each case, whether individually or as a group and including travel, lodging and meals); (xvii) all costs related to the activities of a Client’s Advisory Committee (including insurance for the benefit of the members of the Advisory Committee and the Investors they represent for the same purpose); and (xiv) any extraordinary expenses.

A feeder fund also bears its pro rata portion of any Master Fund’s similar ordinary operating fees, organizational expenses, and expenses and the Master Fund’s extraordinary fees and expenses. In certain instances, we may determine, in our sole and absolute discretion, to bear (without reimbursements by our Clients) any of the foregoing expenses, in whole or in any part.

Investors should expect to bear the expenses incurred in connection with any proposed transfer of interests they hold in a Client (including the cost of the Client’s legal counsel in drafting, reviewing, and revising any transfer documentation), regardless of whether the transfer is consummated by the Investor or approved by the applicable general partner.

In general, each Investor will bear its proportionate share of the Client expenses on a pro rata basis with respect to the size of such Investor’s capital account(s) or with respect to the relative net asset value of the shares held by such Investor, as applicable.

Notwithstanding the foregoing, we may specially allocate the expenses described herein in any other manner, including by allocating certain expenses to certain (but not all) Investors, if we reasonably determine, in our sole discretion, that it is more equitable to do so.

At times, we may cause our Clients to transact with service providers that are wholly owned by us. Any compensation received by us in connection therewith will not be rebated or paid to the applicable Client. In these instances, we will receive an indirect benefit from the applicable Client, and we have a financial incentive to transact with such service provider over another similar service provider in which we do not own interests.

To the extent that expenses to be borne by the Clients are paid by us, the Clients will reimburse us for such expenses. We may waive any such reimbursement with respect to any Client expenses in our sole discretion. Any waiver by us for reimbursement of any Client expenses shall not serve as a waiver of reimbursement for any future Client expenses to be paid by us or our affiliates.

Neither we nor our managing partners nor our employees accept compensation, including sales charges or service fees, from any person for the sale of securities or other investment products.

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

We and our affiliates are entitled to performance-based compensation. As a result, we and our affiliates do not face certain conflicts of interest that may arise when an investment adviser accepts performance-based fees from some clients, but not from other clients.

Performance-based allocation arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which we would recommend under a different compensation arrangement.

Item 7: Types of Clients

Our clients are the Clients, as described in Item 4 above, and their Investors are generally, among others, financial institutions, funds of funds, family offices, pension plans, endowments, high net-worth individuals, financially sophisticated individuals, and other sophisticated investors.

Item 8: Method of Analysis, Investment Strategies, and Risk of Loss

The descriptions set forth in this Brochure of specific advisory services that we offer to Clients, and investment strategies pursued and investments made by us on behalf of our Clients, should not be understood to limit in any way our investment activities. We may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that we consider appropriate, subject to each Client's investment objectives and guidelines as set forth in its Offering Documents. The investment strategies we pursue are speculative and entail substantial risks. Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any Client will be achieved.

Investment Objectives

Seed II

The Client has been organized to invest primarily in cryptographic tokens ("**Tokens**") and equity of companies in the blockchain technology space. These investments may include

capital investments, such as market investments in transferrable Tokens and initial Token sales, presale or direct investment transactions, in exchange for future Tokens, potentially alongside other co-investors, as well as traditional equity agreements. These early-stage investments will be primarily focused on the acquisition of Tokens but may include equity investments in related companies. In addition, the Client may stake, lend, and otherwise deploy certain of its assets through various protocols including via nodes operated by an affiliate.

Liquid Opportunities Master Fund

The Client's investment objective is to achieve attractive absolute returns by investing in various digital assets, including but not limited to, digital currencies, cryptocurrencies, decentralized application tokens and protocol tokens, blockchain-based assets, cryptoassets, other cryptofinance and network-based digital assets that currently exist, or may exist in the future, and related securities (collectively, "**Digital Assets**") and Digital Asset related public and private companies. This Client intends to maintain a portfolio of Digital Assets and equities. Its investment thesis is primarily a long term thematic and fundamental research driven approach. We believe there is a broad range of industry applications that will benefit from adoption and integration with blockchain technology, in categories such as smart contract platforms, network infrastructure, marketplaces, finance, media and social media, gaming and many more. This Client will seek to enter positions in Tokens in primary or secondary markets. The investment strategy is both network and company stage agnostic.

We intend to use liquid asset management strategies including position and liquidity management and event driven trading to actively manage risk in the portfolio, potentially utilizing derivative hedging. This Client may hold core positions in a variety of Tokens and equities supporting blockchain protocols and applications. In addition, the Client may stake, lend, and otherwise deploy certain of its assets through various protocols including via nodes operated by an affiliate or portfolio companies of one or more of our Clients.

CoinFund LLC

This Client was formed to build a diversified portfolio of Digital Assets beyond Bitcoin.

Seed III and Seed IV Master Funds

These Clients seek to invest in early stage opportunities for crypto networks, technical and financial services infrastructure, and crypto-enabled businesses. We invest utilizing a venture capital framework and leveraging our deep technical and business understanding of trends within the ecosystem. We approach the market opportunistically, work closely with potential or existing portfolio companies, identify verticals of interest, and perform what we believe is rigorous in-depth research on portfolio targets. We closely monitor the developing landscape and adjust our focus verticals as is appropriate. At the company or network level we focus on degree of innovation, product, team, company strategy, technical roadmap, business model or Token design, traction, competitor analysis, KPI/valuation framework and regulatory assessment. Our broad-based research process and positioning as a multi strategy manager creates important synergies for the Clients as we seek to underwrite compelling early stage investments in areas of the market where we have seen demand or expect it to develop. In addition, the Client may stake, lend, and otherwise deploy certain of its assets through various protocols including via nodes operated by an affiliate or portfolio companies of one or more of our Clients.

Ventures I Master Fund

This Client seeks to invest in growth-stage technology-related companies that impact the blockchain and cryptocurrency ecosystems with a focus on networks that we believe have shown promise or traction. Investment will be made either directly or indirectly in securities or Tokens and any rights to acquire them (including, without limitation, simple agreement for future Tokens, or other similar arrangements, options, warrants, rights or other interests or other securities convertible into or exchangeable for any securities). In addition, the Client may stake, lend, and otherwise deploy certain of its assets through various protocols including via nodes operated by an affiliate or portfolio companies of one or more of our Clients.

CF Metaversal, a Series of CF Growth Investments LLC,

CF Metaversal, a Series of CF Growth Investments LLC, is a special purpose vehicle that was organized to permit certain of our Managing Partners and employees to invest a company which supports the NFT ecosystem through investments, partnerships and co-creation and co-production relationships.

CF TRD, a Series of CF Growth Investments LLC,

CF TRD, a Series of CF Growth Investments LLC, is a special purpose vehicle that was organized to permit certain of our Managing Partners and employees to invest in a company that supports and creates DAO communities through open-source frameworks built on Ethereum.

Risk of Loss Factors

The following risk factors do not purport to be a complete list or explanation of the risks involved in an investment in our Clients. These risk factors include only those risks we believe to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis employed by us.

An investment involves significant risks and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the applicable Offering Documents. There can be no assurances that we will achieve our investment objectives. An investment carries with it the inherent risks associated with investments in Digital Assets, equity in private seed-stage and venture capital companies, publicly traded stocks, options, and related instruments, including, without limitation, the risks described below. Each prospective investor should carefully review the applicable Offering Documents and the documents referred to herein before deciding to invest in our Clients.

General Risks

Limited Operating History

We and our Clients have limited operating histories and therefore may not be able to operate their businesses, implement their investment strategies, or generate sufficient revenue to make or sustain distributions to investors. Failure to procure adequate funding and capital could adversely affect our Clients' ability to grow and/or expand their business, which can

negatively impact their performance. In addition, the past investment performance of a Client or other entities or accounts managed by us or our affiliates may not be indicative of the future performance of any Client.

Start-Up Periods

A Client may encounter start-up periods during which it will incur certain risks relating to the initial investment of newly contributed assets. Moreover, the start-up periods also represent a special risk in that the level of diversification of such Client's portfolio may be lower than in a fully invested portfolio.

Reliance on the General Partner, Managers and Investment Manager and no Authority by Investors

The success of a Client depends on our ability to develop and implement investment strategies to achieve the Client's investment objectives. Although we may impose limits on the types of positions a Client may take, or the concentration of its investments, a specific Partnership Agreement may generally impose no such limits. Investors will have no right or power to take part in the management of any Client. A Client's investment performance could be materially adversely affected if any members of the investment team were to die, become ill or disabled, or otherwise cease to be involved in the active management of the business of such Client's portfolio.

Dependence on Key Personnel

We are dependent on the services of our principals and key personnel, including Jake Brukhman, Alex Felix, David Pakman, and Seth Ginns. The success of our Clients may depend to a great extent on the investment skills of our principals and key personnel. There can be no assurance that Jake Brukhman, Alex Felix, David Pakman, and Seth Ginns, or any other principals or key personnel will continue to be associated with us or our affiliates. Our Clients may be adversely affected if, because of illness, resignation, or other factors, the services of the relevant people were not available for any significant period of time.

Undisclosed Investing Strategy

Our investment strategy and the techniques we will employ to attempt to reach our Clients' goals are proprietary and are not required to be disclosed to potential investors (or to Investors). As a result, a potential investor's decision to invest in a Client must be made without the benefit of being able to review and analyze our strategy and techniques.

Undisclosed Positions

In an effort to protect the confidentiality of its positions and its strategies, we generally will not disclose our Clients' liquid Token positions to Investors on an ongoing basis. We, in our sole discretion, may from time to time permit such disclosure to certain Investors.

Changes in Investment Strategies

We have broad discretion to expand, revise or contract a Client's business without the consent of its Investors. A Client's investment strategies may be altered (via prudent additional restrictions, but not expansion beyond what has been disclosed in the Offering Documents),

without prior approval by, or notice to, its Investors, if we determine that such change is in the best interest of the Client.

Operating Deficits

The expenses of operating a Client (including Management Fees payable to us) could exceed its income. This would require that the difference be paid out of the Client's capital, reducing the amount of capital available to the Client for investment and the Client's potential for profitability.

Business and Regulatory Risks of Private Investment Funds

Legal, tax and regulatory changes could occur during the term of a Client that may adversely affect such Client. The regulatory environment for private investment funds, including with respect to transactions in and custody of Digital Assets, is evolving, and changes in the regulation of private investment funds may adversely affect the rights of Investors to receive preferential terms for their investments in Clients, the value of investments held by a Client and the ability of such Client to obtain the leverage it might otherwise obtain or to pursue its trading strategies (although many of our Clients do not currently anticipate using a material amount of leverage as part of their investment or trading strategies). In addition, securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The SEC, other regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of a number of aspects of Digital Assets investment strategies, including derivative transactions and funds that engage in such transactions, is an evolving area of law and is subject to modification by government and judicial actions. The effect of any future regulatory change on a Client and its Investors could be substantial and adverse.

Enhanced Scrutiny and Potential Regulation of Private Investment Funds

There has been enhanced governmental scrutiny and/or increased regulation of the private investment fund and financial services industries in general. Future legislation, as well as recently adopted regulatory rules that have not yet become effective with respect to our Clients, may have an adverse effect on the private investment fund industry generally and/or on our Clients, specifically. In addition, regulatory agencies in the U.S., Europe, or elsewhere may adopt burdensome laws (including tax laws) or regulations, or changes in law or regulation, or in the interpretation or enforcement thereof, which are specifically targeted at the private investment fund industry, or other changes that could adversely affect private investment firms and the funds they sponsor, including our Clients. Additional governmental scrutiny may reduce the availability of our Clients' investment opportunities and may increase such Clients' (and our) exposure to potential liabilities and to legal, compliance and other related costs. Such increased regulation and scrutiny could have a material and adverse effect on the Client. There are additional potential regulatory changes that may be applicable to us or our Clients that are discussed infra.

Assignment of Advisory Contracts

Federal and state laws applicable to investment advisers (including, without limitation, the Investment Advisers Act of 1940, as amended (the "Advisers Act") and rules promulgated thereunder) may impose limitations on our ability to assign certain of its rights and obligations under the applicable Partnership Agreement. Normally, such limitations would permit us to engage in transactions that do not involve a change of control of a Client's General Partner or

Managing Member without consent of the applicable Investors. However, to the extent that an assignment does involve a change of control, we will be required to seek consent of those Investors before the transaction will be consummated. To the extent that the consent of Investors is required for a particular assignment, such consent may be withheld to a transaction that would, in our view benefit the particular Client and/or the Investors. Generally, these laws do not require a minimum length of time for notices or deadlines to provide or withhold consent. We may establish reasonable notice periods and deadlines in its sole discretion. We may seek Investor consent via electronic means and/or negative consent.

Side Pocket Investments

Those Clients structured as open-ended funds may invest part of their assets in investments that we believe either lack a readily assessable market value or which should be held until the resolution of a special event or circumstances (“Side Pocket Investments”). These Clients may not be able to readily dispose of Side Pocket Investments, and, in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. For accounting purposes, Side Pocket Investments and other assets and liabilities for which no such market prices are available will generally be carried on the books of the Clients at fair value. There is no guarantee that fair value will represent the value that will be realized by Clients on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment. A withdrawing investor with an interest in a Side Pocket Investment will not receive any amount in respect of such interest until the related Side Pocket Investment is realized or deemed realized.

Cybersecurity Risk

As part of our business, we process, store, and transmit large amounts of electronic information, including information relating to the transactions of our Clients and personally identifiable information of the Investors. Similarly, service providers, especially the Clients’ Administrator, may process, store and transmit such information. We have procedures and systems in place to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to us may be susceptible to compromise, leading to a breach of our network. Our systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. Breach of our information systems may cause information relating to the transactions of one or more Clients and personally identifiable information of our Investors to be lost or improperly accessed, used, or disclosed.

Furthermore, our reliance upon widely available information technology infrastructure products and services which are not custom designed for us may create a risk that our technology platform may become vulnerable to attack by malicious actors which could result in the loss of confidential information, productivity, required business records as well as other losses.

Our service providers are subject to the same electronic information security threats as we are. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions of one or more

Clients and personally identifiable information of our Investors may be lost or improperly accessed, used, or disclosed.

The loss or improper access, use, or disclosure of our or our Clients' proprietary information may cause us or our Clients to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention, or reputational damage. Any of the foregoing events could have a material adverse effect on our Clients.

Force Majeure

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

Net Cash

Our Clients may hold a significant portion of its portfolio in cash and cash equivalents. This may result in its investment results underperforming market indices, or a portfolio which is 100% invested without any net cash holdings.

Unidentified Investments; Competitive Market for Investments

We may be very selective when seeking investments. The business of identifying and structuring certain transactions is competitive (and may become more competitive in the future) and involves a high degree of uncertainty. There can be no assurance that we will be able to locate and complete attractive investments or that it will be able to adhere to the investment strategy outlined herein. Such competition will come from groups such as

institutional investors, investment managers, industrial groups, operating companies, merchant banks and other venture capital and private equity funds that have greater resources than such Client and are owned by large and well capitalized investors. There may be intense competition for investments of the type in which a Client intends to invest, and such competition may result in less favorable investment terms than would otherwise be the case. Additional funds with similar investment objectives may be formed in the future by other unrelated parties. It is possible that competition for appropriate investment opportunities may increase, which may also require our Clients to participate in competitive bidding situations, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to our Clients and adversely affecting the terms upon which investments can be made. Participation in competitive bidding situations will also increase the pressure on our Clients with respect to pricing of a transaction. Moreover, our Clients may incur bid, due diligence or other costs on investments which may not be successful. As a result, our Clients may not recover all of their costs, which would adversely affect returns. Furthermore, there can be no assurance that we will be able to invest the entire amount of a Client's assets or that suitable investment opportunities will otherwise be identified. If we are unable to identify adequate investments at any given time, a significant portion of the specific Client's assets may be held in cash or equivalents, which produce low rates of return.

Unspecified Investments

The capital commitments received from investors are generally placed into a blind pool. Accordingly, an investor in a Client must rely upon us in making investments consistent with such Client's investment objectives and policies. An investor will not have the opportunity to individually evaluate the relevant economic, financial or other information that will be utilized by us in the selection of investments or otherwise approve of such investments. We, in our sole discretion, may cause our Clients to make investments in portfolio companies in which other affiliated or non-affiliated persons or funds are investing. Our personnel may form one or more investment vehicles to invest, in whole or in part, alongside our Clients. The economic and other terms and conditions of such other investment vehicles may be more beneficial than those offered to the investors in the Clients. An investor in a Client is not being offered the opportunity to invest in any other such investment vehicle. Moreover, the investment guidelines set forth in each Client's Offering Documents are subject to the good faith interpretation by us and transactions within such objectives may be affected using a broad array of transaction types, structures and techniques.

Transaction Costs

During some periods, a Client's activities, particularly our Clients with liquid Token trading strategies, may involve a high level of trading, and the turnover of its portfolio may generate substantial transaction costs. These costs will be borne by the Client regardless of its profitability.

Issuer and Non-Issuer Transactions

Clients will acquire their investments through both issuer and non-issuer transactions. In the case of a non-issuer transaction, a Client will purchase securities from existing shareholders (either directly or by means of a secondary market). In many cases, the price that a Client must pay to acquire securities in a non-issuer transaction will exceed the price that it would have paid if it were able to have acquired such securities directly from the issuer. Furthermore, in

the event of a non-issuer transaction, there is no guarantee that a Client will accede to same rights (e.g., information, voting, right of first refusal) as the selling shareholder. These risks apply equally to Digital Assets as well.

No Assurance of Investment Return

Each Client's task of identifying opportunities in private operating companies, managing such investments and realizing a significant return for investors is difficult. Many such organizations previously have been unable to make, manage, and realize such investments successfully. There is no assurance that a Client will be able to invest its capital on attractive terms or generate returns for its investors. There is no assurance that a Client's investments will be profitable and there is a risk that a Client's losses and expenses will exceed its income and gains. As such, there is no assurance of any distribution to investors prior to, or upon, liquidation of a Client.

Consequences of Default

If an Investor fails to pay in full any requested capital contributions to a Client, we (or Board of Directors, as applicable) may take certain actions which may result in a sale of such Investor's interest in the Client or a forfeiture of all or a portion of such Investor's interest in the Client. Additionally, we may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount, including attorneys' fees, to be paid by such defaulting Investor. We will be granted additional powers to deal with defaulting Investor in the Offering Documents. If an Investor fails to pay any of its capital commitment when due, and the capital contributions and unused capital commitments of non-defaulting Investors are inadequate to cover the defaulted capital contribution, a Client may be unable to pay its obligations when due. As a result, such Client may be subjected to significant penalties that could materially adversely affect the returns to the Investors (including non-defaulting Investors). In addition, the non-defaulting Investors may be required to increase their contributions to the investment which caused the defaulted capital contribution and in respect of subsequent Client investments which, in turn, will reduce the degree of diversification of such Investors' investment in such Client, increase such Investors' risk of loss and increase the expense load incurred by an Investor.

Conflicts

Clients will be subject to certain conflicts of interest arising out of relationship with us and our affiliates, some of which will provide management and/or Token staking services to our Clients. The agreements and arrangements among our Clients, their General Partners and their affiliates have been established by our affiliates and are not the result of arm's-length negotiations. Certain of our personnel are currently subject to certain contractual, fiduciary or other obligations regarding prior funds to which they have previously provided services, to include their continuing to provide limited services to certain of such funds and their portfolio companies. While we believe that they will generally be able to resolve any conflicts on an equitable basis, it is possible that such conflicts will not be resolved in favor of the Clients, even where a Client's Advisory Committee or disinterested parties are consulted to review such conflicts.

Independent Investment Vehicles

Each of our Clients is raised as an independent investment vehicle. An investor in one Client may not necessarily be an investor in any other Client. An investor who has elected to invest in multiple Clients may hold a different percentage interest in each. The General Partner's carried interest in one Client will be determined without regard to the performance of any other Client. Each Client has a different investment objective and risk profile, and each prospective investor should consult with his, her or its personal legal, tax and financial advisers before determining the extent of such person's participation in any Client.

Service Providers

The service providers or their affiliates (including any administrators, lenders, brokers, attorneys, consultants and investment banking firms) of the Clients, we or any of our affiliates may be investors in our Clients or sources of investment opportunities and co-investors or counterparties therein. This may influence us in deciding whether to select such a service provider or have other relationships with us.

Conflicting Fiduciary Duties

Our Clients may purchase investments in which another Client already has an interest and may do so at different points in time. As an advisor to both Clients, we will owe a fiduciary duty to each of our Clients.

Investments Longer than Term

A Client may make investments which may not be advantageously disposed of, or have liabilities that may not be resolved, prior to the date that such Client will be dissolved, either by expiration of such Client's term or otherwise. Although we expect that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution and we have a limited ability to extend the term of its Client, a Client may have to sell, distribute or otherwise dispose of investments or resolve litigation or other contingent liabilities at a disadvantageous time as a result of dissolution. In addition, although upon the dissolution of a Client we will be required to timely reduce to cash and cash equivalents such assets of such Client as we shall deem it advisable to sell, subject to obtaining fair value for such assets and any tax or other legal considerations, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the Investors will occur. We may determine, subject to contractual and other limitations, to distribute assets in-kind to Investors instead of reducing such investments to cash or cash equivalents.

Material Non-Public Information

By reason of their responsibilities in connection with their other activities, we or our employees may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities or Digital Assets by applicable law, rule or regulation. Our Clients will not be free to act upon any such information. Due to these restrictions, the Clients may not be able to initiate an acquisition that it otherwise might have initiated and may not be able to sell a portfolio investment that it otherwise might have sold.

Advisory Committee approvals

Certain of our Clients' Offering Documents will contain certain protections for investors against conflicts of interest faced by us and our affiliates, but will not purport to address all types of conflicts that may arise. Under such Client's Offering Documents, certain transactions that involve conflicts of interest between such Client and us and our affiliates may be submitted to such Client's advisory committee for resolution. However, the advisory committee will not necessarily represent the interests of all the Investors and the members of the advisory committee may themselves be subject to various conflicts of interest (including as investors in other Clients). In general, Investors will not be entitled to control the selection of members of the advisory committee.

Other Activities

Our employees will devote only such portion of their time to the affairs of a Client as they consider appropriate in their respective judgment to manage effectively the affairs of such Client. Other activities of our employees, such as serving on the board of directors of companies unrelated to a Client, require them to devote substantial amounts of their time to matters unrelated to the business of such Client.

Indemnification

Each Client has indemnified its General Partner, its partners, members, employees, agents, affiliates of the foregoing and the members of its advisory committee for liabilities incurred in connection with the affairs of such Client. Such liabilities may be material and have an adverse effect on the returns to the Investors. For example, in their capacity as directors of portfolio companies, a person may be subject to derivative or other similar claims brought by shareholders of such companies. The indemnification obligation of a Client would be payable from the assets of such Client, including the unpaid capital commitments of the Investors. If the assets of a Client are insufficient, we may recall distributions made to the Investors of such Client.

CFIUS and National Security Clearance Considerations

Certain investments are expected to be subject to or require review and approval by the U.S. Committee on Foreign Investment in the United States ("CFIUS"), such as where CFIUS-related laws, regulations or guidance deem non-U.S. persons or entities under their control (such as a Client) to be acquiring a U.S. business (including a business with assets, employees, facilities, and/or operations in the United States). CFIUS has the authority to review proposed or existing transactions or investments or to seek to impose limitations on or prohibit investments, and CFIUS filings and other considerations can materially impact transaction timing, feasibility, certainty and costs. In certain circumstances, CFIUS considerations have the potential to prevent a Client from maintaining or pursuing investments, or to limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Client's performance, and the likelihood that CFIUS considerations will be implicated is expected to increase where non-U.S. Investors comprise a substantial percentage of a Client. Under the applicable Offering Document, we generally are authorized, although not required, to excuse or otherwise limit non-U.S. Investors' ability to invest in U.S. businesses (or to exercise voting or advisory board rights with respect thereto) in order to anticipate or comply with CFIUS considerations. However, there can be no assurance that invoking any such excuse provisions or other limitations will allow a Client to proceed with or

maintain any investment, or to avoid losses relating thereto. Similar considerations are expected to apply with respect to reviews by non-U.S. national security or investment clearance regulators.

Technology and Security

We strive to adapt to technological change in order to secure and safeguard our Clients' assets. While we believe we have developed an appropriate security system reasonably designed to safeguard our Clients' Digital Assets from theft, loss, destruction or other issues relating to hackers and technological attack, such assessment is based upon known technology and threats. As technological change occurs, the security threats to a Client's Digital Assets will likely adapt and previously unknown threats may emerge. Furthermore, we believe that the Clients may become more appealing targets of security threats as the size of our Clients' assets grow. To the extent that we are unable to identify and mitigate or stop new security threats, that Client's Digital Assets may be subject to theft, loss, destruction or other attack, which could have a negative impact on the performance of the Client or result in loss of the Client's assets.

Security Breaches

Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, could result in the halting of a Client's operations, the suspension of redemptions or a loss of Client assets. While we generally intend to use and rely on third party security systems, either maintained by the exchanges on which some of our Clients' trades are effected or provided by service providers (including wallet security providers), such security systems are not impenetrable and may not be free from defect, and any loss due to a security breach or software defect may be borne by the applicable Client.

Systems and Operational Risk

Our Clients' investment strategies rely in part on computer programs and systems to trade, clear and settle securities transactions, to evaluate certain securities and Digital Assets based on real-time trading information, to monitor its portfolio and net capital, and to generate risk management and other reports that are critical to oversight of account activities. In addition, certain of our operations interface with or depend on systems operated by third parties, including its prime brokers and market counterparties and their sub-custodians and other service providers, and we may not be in a position to verify the risks or reliability of such third-party systems. These programs or systems may be subject to certain defects, failures or interruptions, including, but not limited to, those caused by worms, viruses and power failures. Any such defect or failure could have a material adverse effect on the applicable Client's portfolio.

Illiquid Investments

The Client may invest in Digital Assets, securities, agreements for the future delivery of securities and Digital Assets (such as Tokens, as well as agreements for the future delivery of Tokens), which are subject to legal or other restrictions on transfer or for which no liquid market exists. The market prices, if any, for such investments tend to be volatile and may not be readily ascertainable, and the Clients may not be able to sell them when it desires to do so

or to realize what it perceives to be their fair value in the event of a sale. The sale of restricted and illiquid securities and other assets often requires more time and results in higher brokerage charges or dealer discounts and other selling expenses than does the sale of securities and other assets eligible for trading on national securities exchanges, Digital Asset exchanges or in the over-the-counter markets. A Client may not be able to readily dispose of such illiquid investments, and in some cases, may be contractually prohibited from disposing of such investments for a specified period of time. Restricted securities may sell at a price lower than similar securities that are not subject to restrictions on resale. An investment in a Client is suitable only for certain sophisticated investors who do not require immediate liquidity for their investments.

Illiquidity of Interests; In-Kind Distributions

An investment in our Clients is relatively illiquid and is not suitable for an investor who needs liquidity. There is no public market for Interests (nor is any public market expected to develop for such Interests) and the applicable organizational documents of a Client imposes significant limitations on Investors' abilities to transfer Interests and/or seek redemptions of such Interests. Interests may not be transferred or pledged except in compliance with significant restrictions on transfer as required by Federal and state securities and commodities laws and as provided in our Clients' organizational documents. Our Clients' organizational documents do not permit an Investor to transfer or pledge all or any part of its Interest to any person without our prior written consent (or Board of Directors, where applicable), the granting of which is in our (or Board of Directors') sole discretion. In addition, rights to withdraw funds from our Clients are subject to several limitations. We or the applicable Board of Directors may consent (or, in its sole discretion, decline to consent) to deviations from one or more of the procedures or limitations regarding withdrawals and/or distributions. We have the discretion to cause our Clients to deliver amounts withdrawn or distributed in-kind rather than cash. The assets so delivered may be relatively illiquid and the Investor would bear the risk of a decline in their value after the effective time of its withdrawal. Further, such investments so distributed may not be readily marketable or saleable and may have to be held by such Investor for an indefinite period of time. Any such in-kind distributions are not expected to materially prejudice the interests of the remaining Investors. These facts, taken together, will significantly affect the liquidity of an Investor's investment in a Client.

Effect of Substantial Withdrawals

For our open-ended Clients, substantial withdrawals by Investors within a short period of time could require or result in the liquidation of investment positions more rapidly than would otherwise be desirable, possibly reducing the value of the Client's assets and/or disrupting our investment strategy. Reduction in the size of the Client could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Client's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses. Additionally, excessive withdrawals would damage the integrity of staking pools because most staking protocols are subject to minimum capital requirements necessary to maintain staking validations and the status and reputation of staking entities.

We may permit some Investors to have access to more information about the Client's investments, or to obtain information more rapidly, than Investors generally. In addition, withdrawals or redemptions by investors in other investment vehicles or accounts managed by us, some of which may have more advantageous information and/or liquidity rights than

those provided to Investors, could adversely affect the value of portfolio positions held by the Client. Further, a significant withdrawal of Capital Accounts from the Client may cause a temporary imbalance in the Client's portfolio, which may adversely affect the remaining non-withdrawing Investors. The Client may distribute cash and/or assets to withdrawing Investors who have no need for liquidity in the investment, other than to pay annual tax liabilities associated with the Client.

Potential Mandatory Withdrawal

We may, in our sole discretion at any time, require an Investor to withdraw all or a portion of its capital account from a Client. Such a mandatory withdrawal could result in adverse tax and/or economic consequences to such Investor.

Risk of Asset Growth

If our assets under management grow significantly, it may adversely affect a Client's investment performance. It may become more difficult to find attractive investment opportunities as the amount of assets that we must invest increases. In this event, we may find it necessary to invest in a greater number of positions than we currently intend, which could dilute our focus on individual positions, impair our ability to monitor existing and potential investments, and result in investments in positions that we otherwise would not select. In addition, with greater assets to invest, it will be increasingly difficult for a Client to make investments large enough to be meaningful to its overall portfolios.

Contingency Reserves

We, at any time in our sole discretion, may on behalf of the Clients establish reserves for contingencies (including general reserves for unspecified contingencies). The establishment of such reserves will not insulate any portion of a Client's assets from being at risk, and such assets may still be traded by the Client. A pro rata portion of any reserve may be withheld from distribution to a withdrawing or redeeming Investor, to the extent withdrawals or redemptions are permitted by a Client's Offering Documents.

Tax Liability Without Distributions

Investors must recognize for income tax purposes their pro rata shares of the taxable net income of a Client, regardless of whether the Investor requested, or can request, a partial withdrawal from the Client to cover their income tax liabilities. Taxable income can be expected to differ from net income, primarily because generally only realized gains and losses are considered for income tax purposes but net income and net loss will include unrealized gains and losses. A Client may generate taxable income for an Investor even though the value of the Investor's interest in the Client has declined. It will generally be necessary for Investors to pay such tax liabilities out of separate funds or withdrawals from a Client. There are significant limitations on an Investor's right to withdraw funds from a Client, even if such right exists at all. Where such withdrawals are permitted, sufficient information may not be available in time for the Investor to determine accurately an amount to withdraw to pay taxes for a given fiscal year.

Side Letter Agreements

In accordance with common industry practice, we may enter into one or more side letters or similar agreements with certain Investors pursuant to which they may agree to vary certain of

the terms applicable to any such Investor or grant to any such Investor specific rights, benefits, or privileges that are not made available to Investors generally. We may also agree to provide a greater level of disclosure regarding the investments and activities of a Client to certain Investors than other Investors. Such agreements will be disclosed only to those actual or potential Investors that have separately negotiated with us for the right to review such agreements.

Information Rights

Subject to our sole discretion, certain Investors may invest on terms that provide access to information that is not generally available to other Investors (or that is otherwise made available earlier to other Investors), and as a result, may be able to act on such additional information (i.e., withdraw their capital accounts, to the extent a Client permits such withdrawals) that other Investors do not receive or receive at a later date.

Performance Allocation to the General Partner

We are entitled to receive a performance allocation (or alternatively, a performance fee), based upon the net capital appreciation, if any, allocated to the Investor's capital account. The performance allocation may create an incentive for us to make investments that are riskier or more speculative than would be the case if such arrangement were not in effect. In addition, because the performance allocation is calculated on a basis which includes unrealized appreciation of a Client's assets, it may be greater than if such compensation were based solely on realized gains.

Asset Valuation

We have substantial discretion in determining the value of our Clients' assets and liabilities, whether or not a public market exists for assets of the same class or type. While some marketable assets are valued based on prices reported in the public markets, other investments may be more thinly-traded or subject to irregular trading activity or not have a public market at all. Determinations on the value of certain investments, and how to value assets and liabilities as to which limited (or no) prices or quotations are available, are based on our recommendations or instructions to the Administrator. We may face a conflict of interest in making any of these valuation decisions or recommendations. If our valuation of any such asset is inaccurate, we might receive a performance allocation and management fee, as applicable, that is greater than the fee to which a Client's investment portfolio, diversification, and other internal guidelines and risks if such Client's portfolio is inaccurately valued. Any such inaccuracy could adversely affect the Investors. Additionally, any reduction in the value of any assets or increase in the value of any liabilities held by a Client would reduce the amount of fees to which we may be entitled.

Tax Considerations

Clients are typically permitted to utilize leverage, borrow and engage in staking activities. Thus, tax-exempt Investors may incur an income tax liability with respect to their share of any unrelated business taxable income ("UBTI") the Client may generate, if applicable. Similar considerations may be applicable for non-US Investors in connection with activities that may generate "effectively connected income" ("ECI"). Each Investor is encouraged to consult with and rely on its own independent tax counsel as to the U.S. Federal income tax consequences

of an investment in the Client based on its particular circumstances, as well as to applicable state, local or non-United States tax laws.

Fiduciary Duty of Investing Plans

In considering an investment in a Client, plan fiduciaries should consider their basic fiduciary duties under ERISA Section 404, which requires them to discharge their investment duties prudently, solely in the interest of the plan participants and beneficiaries and for the exclusive purpose of providing benefits to the plan participants and beneficiaries and defraying reasonable administrative expenses of the relevant plan. Plan fiduciaries must give appropriate consideration to the role that an investment in the Client would play in the plan's investment portfolio. In analyzing the prudence of an investment in a Client, the DOL's regulation on investment duties should be considered (29 C.F.R. § 2550.404a-1).

Plan Assets

ERISA and the regulation issued by the DOL at 29 C.F.R. § 2510.3-101, as modified or deemed to be modified by ERISA (the "Plan Asset Regulation"), define the term "Plan Assets" as applied to entities in which a plan invests, directly or indirectly, such as a Client. The Plan Asset Regulation provides that when an ERISA Plan acquires an equity interest in an entity, and that equity interest is neither a publicly offered security nor a security issued by an investment company registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"), the assets of the ERISA Plan include not only the equity interest, but also include an undivided interest in the underlying assets of the entity, unless an exception to this general rule applies.

Investment Company Regulation

Our Clients rely on Section 3(c)(1) and/or Section 3(c)(7) of the Investment Company Act to avoid requirements that the Clients register as an "investment company" under, and comply with the substantive provisions of, the Investment Company Act. If a Client were required to be registered as an investment company, the Investment Company Act would require, among other things, that the Client have a board of directors, some of whom would be required to be unrelated to the General Partner, compel certain custodial arrangements and regulate the relationship and transactions between the Client and the General Partner. Compliance with some of those provisions could possibly reduce certain risks of loss, although such compliance could significantly increase the specific Client's operating expenses and limit that Client's investment and trading activities. Interpretations of Sections 3(c)(1) and 3(c)(7) are complex and uncertain in several respects, and as a result, there can be no assurance that the Clients will remain entitled to rely on those Sections. If a Client was found not to have been entitled to such reliance, we and the Client could be subject to legal actions by the SEC and others and the Client could be forced to terminate its business under adverse circumstances.

Registration Exemption

Open-ended Clients may offer Interests on a continuing basis without registration under the Securities Act of 1933, as amended (the "Securities Act") in reliance on an exemption for "transactions by an issuer not involving any public offering" (or other available offering exemptions), and without registration or qualification of the Interests under state laws in reliance on related exemptions. While we believe reliance on such exemptions is justified, there can be no assurance that factors such as the manner in which offers and sales are made,

concurrent offerings by other Clients, the scope of disclosure provided, failures to file notices or renewals of claims for exemption, or changes in applicable laws, regulations, or interpretations will not cause the Client to fail to qualify for such exemptions under Federal or one or more states' laws. Failure to so qualify could result in the rescission of sales of Interests at prices higher than the current value of those Interests, potentially materially and adversely affecting the Client's performance and business. Further, even non-meritorious claims that offers and sales of Interests were not made in compliance with applicable securities laws could materially and adversely affect our ability to conduct the Client's business.

Other Laws and Regulations

We and our Clients are subject to various other securities, commodities and similar laws and regulations that could limit some aspects of our Clients' operations or subject us and our Clients to the risk of sanctions for noncompliance.

Industry Risks

Changes in the Banking Industry

The pace of bank onboarding, the emergence of new competitors, customer concentration, and industry factors such as bank mergers, may create additional risks for the Funds.

Bank Failures

On March 10, 2023, the Federal Deposit Insurance Corporation ("**FDIC**") and the California Department of Financial Protection and Innovation assumed control of Silicon Valley Bank ("**SVB**") following SVB's financial losses and massive deposit withdrawals. On March 12, 2023, Signature Bank, New York, NY ("**Signature Bank**") was closed by the Department of Financial Services of New York and subsequently, the FDIC was named receiver. These bank failures and caused turmoil in the financial markets and other similar bank failures may increase market volatility and decrease consumer and business confidence. In addition, certain Digital Exchanges, issuers and obligors in which our Clients invest may have banking relationships with SVB, Signature Bank and other failed banks and may suffer material losses that could seriously impair their business operations. Bank failures and ripple effect of such failures on our Client's investments may adversely affect the value of investments held by our Clients and/or the ability of our Clients to dispose of investments at attractive valuations. Additionally, our Clients may have their own banking relationships at banks that fail (including SVB), which may result in material losses that could seriously impair their business operations.

Portfolio Company Risks

Investment in Private Companies

Investment in private companies carries certain risks including: (i) highly competitive market; (ii) development risk; (iii) limited voting rights; (iv) lack of management control; and (v) liquidity.

- **Highly Competitive Market** – The activity of identifying, completing, and realizing attractive private company investments is highly competitive, and involves a high degree of uncertainty. The availability of investment opportunities generally will be subject to market conditions.

- **Development Risk** – Investment in private companies typically exhibit a value development pattern commonly known as “J curve,” in which the net asset value typically declines during the early years of a Client’s life as fees and expenses are incurred before investment gains, if any, have been realized.
- **Limited Voting Rights** – Our Clients may have no voting rights or limited voting rights in a private company whose securities it has purchased.
- **Lack of Management Control** – We may not have the right to participate in the management, control or operation of a private company whose securities and/or Digital Assets it has purchased for one or more Clients.
- **Liquidity** – Private company securities and/ or Digital Assets may be subject to legal or other restrictions on transfer or may have no liquid market, and it may be impossible to sell such investments when desired or to realize their fair value in the event of a sale. Moreover, as a result of the absence of a public trading market for these securities and/or Digital Assets, there is likely to be substantially less liquidity than publicly traded securities and/or Digital Assets and, therefore, substantial delays in attempting to realize such non-publicly traded securities and/or Digital Assets.

High Risk Investments

While investments in companies in certain industries offer the opportunity for significant capital gains, such investments may involve a high degree of business, financial, technological and regulatory risk, which can result in substantial losses. Moreover, a Client’s portfolio may include investments particularly subject to increased risk because they are in companies at an early stage of development, may be engaged in highly competitive industries dominated by companies with substantially greater resources, or are developers of Digital Assets or protocols that might not be adopted as broadly as the developer’s business plan requires. We believe that our investment program and research techniques moderate this risk through a careful selection of securities, Digital Assets and other financial instruments. However, no guarantee or representation is made that the program will be successful.

Due Diligence Risks

Before making investments, we intend to conduct due diligence that we deem reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence and making an assessment regarding an investment, we will rely on resources available to us, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence process will at times be subjective with respect to newly organized companies for which only limited information is available. Accordingly, there can be no assurance that the due diligence investigation that we will carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Further, there can be no assurance that such an investigation will result in an investment being successful.

Limited Diversification

Some of our Clients' Offering Documents do not limit the amount of the Client's capital that may be committed to any single investment, industry, or sector. At any given time, and particularly early on in the term of a Client, it is therefore possible that we may select investments that are concentrated in a limited number or types of investments. This limited diversity could expose such a Client to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements in those investments.

Emerging Company and Venture Capital Investing Risk

Many of our Clients will make investments in early stage and even in later stage companies, which carry material risk of loss, and commonly result in complete loss of investment if an issuer fails in its proposed endeavors. Such issuers are not highly capitalized, are not always operated by experienced business persons, and may make commercial mistakes that seasoned entrepreneurs could avoid. Such issuers also operate in novel sectors, which increases both potential reward and potential risk. Even in a novel sector, new competition could replace even strong ideas and execution, which could adversely affect a Client's holdings. Digital Assets, in particular, are a new technology and companies in the space tend not to be seasoned, and even potentially revolutionary technology could find itself outperformed by less (or more) advanced technologies that have better marketing or other aspects that result in poor results for a Client's holdings.

Reliance on Portfolio Company Management Team

Each portfolio company's day-to-day operations will be the responsibility of such company's management team. In addition, a Client will typically not have a representative on a portfolio company's board of directors even where such Client has acquired a substantial position in the portfolio company's securities or Digital Assets. Although we will be responsible for monitoring the performance of each investment and such Client that seeks to invest in companies operated by strong management, there can be no assurance that the existing management team, or any successor, will be able to operate the portfolio company in accordance with the Client's plans. The success of each portfolio company depends in substantial part upon the skill and expertise of each portfolio company's management team. Additionally, portfolio companies will need to attract, retain and develop executives and members of their management teams. The market for executive talent is, notwithstanding general unemployment levels or developments within a particular industry, extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of its management team and, as a result, the applicable Client may be adversely affected thereby. Instances of fraud and other deceptive practices committed by the management team of portfolio companies in which the Client has an investment may undermine our due diligence efforts with respect to such companies. If such fraud is discovered, it could adversely affect the valuation of the Client's investments and may contribute to overall market volatility that can negatively impact the Client's investment portfolio.

Managing Rapid Growth

To achieve their projected revenues and other targeted operating results, the companies our Clients invest in may be required to rapidly implement and improve operational, financial and

management control systems on a timely basis, together with maintaining effective cost controls, and any failure to do so would have a material adverse effect on their business, financial condition and results of operations. The success of their growth plans will depend in part upon their ability to continue to attract, retain and motivate key personnel. Failure to make the required expansions and upgrades could have a material adverse effect on their business, financial condition, results of operations and relationships with their corporate partners. The results of operations for the companies will also be adversely affected if revenues do not increase sufficiently to compensate for the increase in operating expenses resulting from any expansion and there can be no assurance that any expansion will be profitable or will not adversely affect their results of operations.

Failure of a Portfolio Company.

Although the companies in which our Clients invest are carefully selected by us, it is possible that a Client may lose all or a portion of its investment in such companies. No assurance can be given that the failure of one or more of such companies will not have a material adverse effect on the Client's overall performance.

Non-Controlling Investments

A Client may hold non-controlling interests in certain portfolio companies and, therefore, may have a limited ability to protect its position in such portfolio companies. There can be no assurance that protection for a Client through special minority shareholder rights will be available.

Support of Portfolio Companies

From time to time, when we deem appropriate, our Clients may utilize the services and/or products offered by a Client's portfolio company. Typically, we limit the utilization of portfolio company services and/or products to the Client(s) that have made an investment in such company, but other Clients may begin to utilize such services and/or products when they gain broader market adoption, but such adoption is not a requirement for our Clients to utilize such products and/or services. Our Risk and Operations Committee reviews and approves such engagements to confirm that we believe these products and/or services are appropriate for the specific Client.

Cybersecurity Risks for Portfolio Companies

To the extent that a portfolio company or one or more of their service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted: (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; (v) Digital Assets or (vi) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, our portfolio companies may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in our portfolio companies' or their service providers' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to Investors (and the beneficial owners of Investors). In certain events, a failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use

of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a portfolio company to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm.

Risks Associated with non-U.S. Investments

Our Clients are permitted to invest Investor capital outside of the United States. To the extent Clients invest in companies organized or with substantial operations outside the United States, those investments will be subject to risks associated with foreign investments. These risks include, but are not limited to, (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which the Clients' foreign investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and foreign securities markets and non-U.S. centralized Digital Asset exchanges, including differences in rules and regulations, potential price volatility in and relative liquidity of some foreign securities markets, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation; (iii) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (iv) certain economic, social and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, political hostility to investments by foreign or venture capital investors, the risks of political, economic or social instability and the possibility of expropriation or confiscatory taxation or other changes in law; (v) differences between U.S. and foreign market contract terms (e.g., foreign contracts do not typically include many of the closing conditions that are commonly found in U.S. contracts) and conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (vi) the possible imposition of foreign taxes on income and gains recognized with respect to such securities or Digital Assets, including as a result of the loss of tax treaty benefits that were expected at the time of investment; (vii) less developed corporate laws regarding fiduciary duties and the protection of investors; and (viii) less publicly available information. No assurance can be given that a political or economic climate, or particular legal or regulatory risks, might not adversely affect an investment by our Clients. In addition, certain of the aforementioned risks may be increased with respect to any investments by our Clients in developing and emerging markets.

Digital Asset Risks

Digital Assets

Digital Assets are loosely regulated and there is no central marketplace for currency exchange. Supply is determined by a computer code, not by a central bank, and prices have been extremely volatile. Digital Asset exchanges have been closed due to fraud, bankruptcy, failure or security breaches. Any of our Clients' funds or assets (including Digital Assets) that reside on an exchange that shuts down may be temporarily unavailable, lost, or (in the event of the exchange's filing for bankruptcy) converted to a claim against the debtor's estate.

Several factors may affect the price of Digital Assets, including, but not limited to: supply and demand, investors' expectations with respect to the rate of inflation, interest rates, currency exchange rates or future regulatory measures (if any) that restrict the trading of Digital Assets or the use of Digital Assets as a form of payment. There is no assurance that Digital Assets will maintain their long-term value in terms of purchasing power in the future, or that acceptance of Digital Asset payments by mainstream retail merchants and commercial businesses will continue to grow. Further, many Digital Assets have been hacked or may become vulnerable due to flaws in fundamental core code.

"Stablecoin" Risk

The term "Stablecoin" refers to a Digital Asset with a value that is pegged to a reference asset, such as the U.S. Dollar. In some cases, the value of the Stablecoin is determined by reference to assets backing the Stablecoin and, in other cases, the value is determined by a pricing methodology that is used to maintain the price of the Stablecoin. The regulatory status of certain Stablecoins as "securities" or regulated derivatives products is unclear. There is a risk that these products will be recharacterized by the CFTC as regulated derivative instruments or the SEC as securities. If such a recharacterization occurs, we may need to sell a Client's Stablecoin holdings. Moreover, there is no guarantee that the value of a given Stablecoin will not fluctuate and become unpegged to its reference asset and if a Stablecoin becomes "unpegged" to its reference asset, it may lose some or all of its value. There is a risk that a Client will suffer significant losses in the event that a Stablecoin held by the Client decreases in value relative to its reference asset.

Legal Risk

The legal status of certain Digital Assets may be uncertain. This can mean that the legality of holding or trading Digital Assets is not always clear. Whether and how one or more Digital Assets constitute property, or assets, or rights of any kind is also unclear.

Pseudonymous Transactions on Digital Asset Networks

The Digital Asset networks in which our Clients may participate and through which some of their investments are expected to be made are typically permissionless, meaning that any party may access these networks and Digital Assets transacted thereon. In addition, open finance systems in which a Client may invest and/or use are also typically permissionless.

As a result, although Digital Asset network transactions are typically logged in a transparent, distributed ledger, there is a risk that counterparties on a Digital Asset network (including a Client) may not be able to conduct due diligence and know your customer checks on counterparties, or that such due diligence may not detect illicit activity by counterparties or counterparties that are subject to sanctions by the U.S. (or Cayman Islands) government. To the extent that parties utilize a Digital Asset network, Digital Asset service provider or a smart contract application, they may engage on the same network, platform or application as a party that is engaging in illicit use. Such cohabitation may result in penalties to counterparties, the seizure or "taint" of Digital Assets or more direct penalties. The Clients' processes (including diligence and the use of regulated service providers and trading platforms) may be insufficient to reduce exposure to such risks or to identify Digital Asset networks, smart contract applications or service providers and trading platforms exposed to such risks.

Investment in Digital Asset Companies

We may make investments in companies involved in the Digital Asset industry, and expect to do so for many of our Clients. Concentration in this industry may involve risks greater than those generally associated with more diversified funds and may experience significant fluctuations in returns. The Digital Asset sector is challenged by various factors, including rapidly changing market conditions and participants, new competing products and services and improvements in existing products and services. Some of the Digital Asset companies in which we invest in may compete in this volatile environment. There is no assurance that products or services created or sold by such companies will not be rendered obsolete or adversely affected by competing products and services, new technology, changes in the applicable regulatory environment, or other challenges, or that such company or our Clients will be able to adequately enforce intellectual property rights. Instability, fluctuation, or an overall decline within the Digital Asset industry may not be balanced by investments in other industries not so affected. In the event that the Digital Asset sector declines or that our Clients are unable to adequately enforce intellectual property rights, returns to the applicable Client may decrease.

Highly Volatile Markets

The prices of financial instruments and Digital Assets, including Tokens, in which a Client may invest can be highly volatile. Price movements of forward and other derivative contracts in which a Client's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. Our Clients who engage in such activities are subject to the risk of failure of any of the exchanges on which their positions trade, of its clearinghouses, or of the counterparty in uncleared derivatives transactions.

Volatility of Digital Asset Values

In their short history, Digital Asset values have experienced extreme price volatility that may continue in the future. The value of Digital Assets held by a Client could decline rapidly. Digital Assets have not been in existence long enough to assess the volatility of market cycles with any precision. Historical price increases in Digital Assets provide no assurance of future results. The value of Digital Assets also will be affected by the worldwide acceptance or rejection of Digital Assets. In particular, problems with the supply of Digital Assets, security flaws (or perceived security flaws), difficulties with converting Digital Assets to fiat currencies, failure of trading counterparties and exchanges, increased regulation, and concerns that Digital Assets may disproportionately facilitate criminal activities may negatively affect the acceptance, growth and development of Digital Assets. For example, the exchange rate of Bitcoin into U.S. dollars has been very volatile, including dropping by more than 50 percent in a single day. To the extent a Client holds specific investments in Digital Assets, the value of those investments also may be volatile and subject to impairment, and such investments may lose their entire value.

Nascent Development of Smart Contracts

The nascent nature of smart contract development may magnify initial problems, increase volatility and reduce interest in smart contracts, which could have an adverse impact on the value of Ether or other Digital Assets. Smart contracts are computer protocols that facilitate the negotiation or performance of a contract and have only very recently been implemented.

Since smart contracts typically cannot be stopped or reversed, bugs in their programming can have catastrophic effects. For example, a bug in the smart contracts underlying The DAO, a distributed autonomous organization for venture capital funding, allowed an attack by a hacker who drained \$50 million from its accounts. The theft was reversed only by the developers making a "Hard Fork" of Ethereum. Nevertheless, the price of Ether dropped 35% because of the attack and also the fork. In addition, in July 2017, a vulnerability in a smart contract for a multi-signature wallet software provided by Parity led to a \$30 million theft of Ether. Initial problems and continued setbacks with the implementation and development of smart contracts may have an adverse effect on the value of Ether and other Digital Assets. Our Clients may be exposed to similar risks in the event that they participate in a smart contract.

Securities and Digital Asset Lending and Borrowing

A Client may lend securities or Digital Assets to brokers and other institutions to earn additional income or borrow securities or Digital Assets from brokers or other institutions to enable short sales. If the other party becomes insolvent or bankrupt, a Client could experience delays and costs in recovering payment or the securities. If, in the meantime, the value of the securities or Digital Assets changes, the Client could experience further losses. Security and Digital Asset loans may be fully collateralized and we may misjudge the creditworthiness of the other party to the transaction. If the lending or borrowing occurs through a blockchain-based platform, additional risks related to such platform may impair a Client's loans or collateral.

Custody of Client's Assets

We may manage our Clients' custody of some or all of its Digital Assets, by generating the private keys that control movement of the various Digital Assets. Our Clients, under our management and supervision, may store such Client's Digital Assets on various Digital Asset exchanges. In addition to maintaining custody of a Client's Digital Assets on various Digital Asset exchanges, such a Client, under our management and supervision, may store the Client's Digital Assets in a "cold wallet" through hardware or software storage. Digital Asset exchanges may also require us to provide control of the private keys when the exchange is utilized by the Client. The foregoing, however, shall not limit us in any way from utilizing Digital Asset custody standards and practices that may exist in the future. We retain the right, but not the obligation, to use any third party Digital Asset custodian in the future as firms and Digital Asset custody standards begin to develop and regulation addressing these custody issues are implemented. We are responsible for taking such steps as we determine, in our sole judgment, to be required to maintain access to these keys, and prevent their exposure from hacking, malware and general security threats. We are not liable to our Clients or to their Investors for the failure or penetration of the security system absent gross negligence, fraud or criminal behavior on our part. Maintaining Digital Assets on deposit or with any third party in a custodial relationship has attendant risks. These risks include security breaches, risk of contractual breach, and risk of loss. Investors should be aware that the Clients may allow third parties to hold its property and this may result in the occurrence of any of the risks abovementioned.

All other investments and other financial assets of the Clients that are required to be custodied by third parties, if any, will be maintained at all times in the custody of one or more banks, trust companies, brokerage firms, futures commission merchants, or other institutions as are approved for that purpose by us.

Lack of available Third-Party Qualified Custodians

As a registered investment adviser, we hope to utilize third-party custodians for our Clients' Digital Assets. However, qualified third-party custodians that satisfy this requirement for certain Digital Assets may not be available, in which case the Client may be required to self-custody Digital Assets. There can be no assurance that self-custody will adequately protect the security of such Digital Assets, exposing the Client to up to the complete loss of a Digital Asset owing to a security breach or other failure of the self-custody procedures. In addition, regulators may not agree with the Client's decision to self-custody a Digital Asset, resulting in the possibility of sanctions, fines or other regulatory reparations imposed on the Client, us or any of our affiliates by the SEC.

Third Party Wallet Providers

Our Clients may use third party wallet providers to hold a portion of each Client's Digital Assets. A Client may have a high concentration of its Digital Assets in one location or with one third party wallet provider, which may be prone to losses arising out of hacking, loss of passwords, compromised access credentials, malware, or cyber-attacks. Our Clients are not required to maintain a minimum number of wallet providers to hold the Clients' Digital Assets. Our Clients may not perform detailed diligence on such third-party wallet providers and, as a result, may not be aware of all security vulnerabilities and risks. Certain third-party wallet providers may not indemnify our Clients against any losses of Digital Assets. Digital Assets held by third parties could be transferred into "cold storage" or "deep storage," in which case there could be a delay in retrieving such Digital Assets. Our Clients may also incur costs related to third party storage. Any security breach, incurred cost or loss of Digital Assets associated with the use of a third-party wallet provider, may adversely affect an investment in a Client. A Client's ability to invest in a particular cryptocurrency may be impacted by the types of cryptocurrencies accepted by third party wallet providers that are qualified custodians.

Digital Asset Trading is Volatile and Speculative

Digital Assets represent a speculative investment and involve a high degree of risk. As relatively new products and technologies, Digital Assets have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets or other designed purposes (e.g., use of blockchain based smart contracts). Conversely, a significant portion of the demand for Digital Assets is generated by speculators and investors seeking to profit from the short or long-term holding of Digital Assets. The relative lack of acceptance of Digital Assets in the retail and commercial marketplace limits the ability of end-users to pay for goods and services with Digital Assets. A lack of expansion by Digital Assets into retail and commercial markets, or a contraction of such use, may result in increased volatility.

Risk of Loss of Private Key

Various Digital Assets are controllable only by the possessor of unique private keys relating to the addresses in which the Digital Assets are held. The theft, loss or destructions of a private key required to access a Digital Asset is irreversible, and such private keys would not be capable of being restored by our Clients. Any loss of private keys relating to digital wallets used to store a Client's Digital Assets could result in the loss of or delay in retrieving the Digital Assets and an Investor could incur substantial, or even total, loss of capital.

Stolen or Incorrectly Transferred Digital Assets May Be Irretrievable

An incorrect transfer of Digital Assets or a theft of Digital Assets generally will not be reversible and a Client may not be capable of seeking compensation for any such transfer or theft. It is possible that, through computer or human error, or through theft or criminal action, a Client's Digital Assets could be transferred in incorrect amounts or to unauthorized third parties. To the extent that a Client is unable to seek a corrective transaction with such third party or is incapable of identifying the third party which has received a Client's Digital Assets through error, mismanagement, theft or other criminal action, a Client will be unable to revert or otherwise recover incorrectly transferred Digital Assets. To the extent that a Client is unable to seek redress for such actions, such loss could adversely affect an investment in the Client.

Risks Associated with the Digital Asset Protocol

Digital Assets are generally based on blockchain protocols, such as the Bitcoin Protocol or the Ethereum Protocol, or decentralized application protocols, such as the Uniswap Protocol. Any malfunction, breakdown, or abandonment of the Digital Asset's protocol may have a material adverse effect on the value of the Digital Asset. Moreover, advances in cryptography, or technical advances such as the development of quantum computing, could present risks to the Digital Assets by rendering ineffective the cryptographic consensus mechanism that underpins a Digital Asset's protocol.

Security of Digital Assets and Networks

Hackers or other malicious groups or organizations may attempt to interfere with the Digital Assets and/or Digital Asset networks in a variety of ways, including, but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing, and spoofing. Furthermore, because a Digital Asset's network is based on open source software, there is a risk that a third party or a member of the development team of a particular Digital Asset may intentionally or unintentionally introduce weaknesses into the core infrastructure of the Digital Asset's network, which could negatively affect the network and the Digital Asset.

Risks of Flawed or Ineffective Source Code

If the source code or cryptography underlying a Digital Assets held by a Client proves to be flawed or ineffective, malicious actors may be able to steal the Client's Digital Assets. In the past, flaws in the source code for Digital Assets have been exposed and exploited. Several errors and defects have been publicly found and corrected, including those that disabled some functionality for users and exposed users' personal information. Discovery of flaws in, or exploitations of, the source code that allow malicious actors to take or create money in contravention of known network rules have occurred. In addition, the cryptography underlying a Digital Asset could prove to be flawed or ineffective, or developments in mathematics and/or technology, including advances in digital computing, algebraic geometry and quantum computing, could result in such cryptography becoming ineffective. In any of these circumstances, if a Client holds the affected Digital Asset, a malicious actor may be able to steal the Client's Digital Assets, which would adversely affect an investment in the Client. Even if the Client did not hold the affected Digital Asset, any reduction in confidence in the source code or cryptography underlying Digital Assets generally could negatively affect the demand for Digital Assets and therefore adversely affect an investment in the Client.

Dissolution of Network or Digital Asset Sponsor

It is possible that, due to any number of reasons, including, but not limited to, an unfavorable fluctuation in the value of a Digital Asset (or other cryptographic and fiat currencies), decrease in a Digital Asset's utility, the failure of commercial relationships, the failure of the Digital Asset Sponsor or intellectual property ownership challenges, the Digital Asset's network may no longer be viable to operate. The dissolution of a Digital Asset's network or a Digital Asset Sponsor (if applicable) may adversely impact such Digital Asset's value.

Risk of Loss Due to Incapacitation of Key Personnel

Generally speaking, certain of our Managing Partners and operations team members are the sole individuals in possession of the unique private keys, or passwords and two-factor authentication for Digital Asset exchange accounts, required to access the Digital Assets held by our Clients. Although we may implement certain security and compliance provisions with respect to custody and the private keys, the incapacitation of these team members may result in the loss of or delay in accessing the private keys and, consequently, may result in the loss of the Digital Assets held by our Clients. In such an event, an Investor could incur substantial, or even total, loss of capital.

Trading on Digital Asset Networks

Some of our Clients will convert U.S. dollar contributions made by Investors to Digital Assets over specific networks, as applicable. These Clients may use certain Digital Assets like Eth or Stablecoins to purchase other Digital Assets. Many Digital Asset networks are online end-user-to-end-user networks that host a public transaction ledger, known as the blockchain, and the source code that comprises the basis for the cryptographic and algorithmic protocols governing such networks. In many Digital Asset transactions, the recipient of the Digital Asset must provide its public key, which serves as an address for a digital wallet, to the party initiating the transfer. In the data packets distributed from Digital Asset software programs to confirm transaction activity, each Digital Asset user must "sign" transactions with a data code derived from entering the private key into a "hashing algorithm," which signature serves as validation that the transaction has been authorized by the owner of such Digital Asset. This process is vulnerable to hacking and malware, and could lead to theft of a Client's digital wallets and the loss of such Client's Digital Assets. Many Digital Asset exchanges have been closed due to fraud, failure or security breaches. In many of these instances, the customers of such Digital Asset exchanges were not compensated or made whole for the partial or complete losses of their account balances in such Digital Asset exchange.

Digital Asset Exchanges

The Digital Asset exchanges on which Digital Assets trade are relatively new and largely unregulated and may therefore be more exposed to theft, fraud and failure than established, regulated exchanges for other products. In general, Digital Asset exchanges are currently start-up businesses with no institutional backing, limited operating history and no publicly available financial information. Exchanges generally require cash to be deposited in advance in order to purchase Digital Assets, and no assurance can be given that those deposit funds can be recovered. Additionally, upon sale of Digital Assets, cash proceeds may not be received from the exchange for several business days. The participation in exchanges requires users to take on credit risk by transferring Digital Assets from a personal account to a third-party's account. A Client will take credit risk of an exchange every time it transacts. Digital asset exchanges may impose daily, weekly, monthly or customer-specific transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of Digital Assets for fiat currency

difficult or impossible. Additionally, Digital Asset prices and valuations on Digital Asset exchanges have been volatile and subject to influence by many factors including the levels of liquidity on exchanges and operational interruptions and disruptions. The prices and valuation of Digital Assets remain subject to any volatility experienced by Digital Asset exchanges, and any such volatility can adversely affect an investment in a Client.

Digital Asset exchanges are appealing targets for cybercrime, hackers and malware. It is possible that while engaging in transactions with various Digital Asset exchanges located throughout the world, any such exchange may cease operations due to theft, fraud, security breach, liquidity issues, or government investigation. In addition, banks may refuse to process wire transfers to or from exchanges. Over the past several years, many exchanges have, indeed, closed due to fraud, theft (e.g., Mt. Gox voluntarily shutting down because it was unable to account for over 850,000 Bitcoin), government or regulatory involvement, failure or security breaches (e.g., the voluntary temporary suspensions by Mt. Gox of cash withdrawals due to distributed denial of service attacks by malware and/or hackers), or banking issues (e.g., the loss of Tradehill's banking privileges at Internet Archive Federal Credit Union). Any financial, security or operational difficulties experienced by such exchanges may result in an inability of our Clients to recover money or Digital Assets being held by the exchange, or to pay investors upon redemption. Further, our Clients may be unable to recover Digital Assets awaiting transmission into or out of the Client's digital wallets, all of which could adversely affect an investment in a Client. Additionally, to the extent that the Digital Asset exchanges representing a substantial portion of the volume in Digital Asset trading are involved in fraud or experience security failures or other operational issues, such Digital Asset exchanges' failures may result in loss or less favorable prices of Digital Assets, or may adversely affect the Clients, their operations and investments, or their Investors.

Trading Platform and Custody Risk

There are risks involved in dealing with the trading venues on which our Clients conduct business. Under certain circumstances, the Digital Assets deposited with a Trading Platform may not be clearly identified as being assets of a Client, and hence a Client could be exposed to a credit risk with regard to such parties. To the extent that a Trading Platform experiences a significant loss due to hack, negligence or fraud, any Digital Assets held on such Trading Platform may be lost entirely and a Client may not have recourse against any party. Additionally, non-U.S. Trading Platforms may be unregulated or more lightly regulated than their U.S. counterparts. Additionally, there may be practical or timing issues associated with enforcing a Client's rights to its assets in the case of an insolvency of any such party.

A Client may maintain accounts with "Digital Asset trading platforms". Unlike other traditional asset classes, Digital Assets are often stored and traded on Digital Asset trading platforms without traditional third parties such as prime brokers acting as intermediaries and sources of margin financing. Although we monitor the Digital Asset trading platforms and believe they or their affiliates are appropriate trading venues, there is no guarantee that the Digital Asset trading platforms, or any other depositories that a Client 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 trading platform that has custody of Client assets, a Client 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.

A Client may also utilize OTC trading counterparties. These OTC trading counterparties do not typically hold assets of their customers (such as a Client); instead of an account-based business model, OTC desks typically use a transaction-based business model where parties initiate and

promptly settle trades. In the event of a settlement failure in a transaction between a Client and an OTC trading counterparty, the Client may be exposed to risk of loss.

A Client may also engage in peer-to-peer transactions, including through decentralized smart contract applications (e.g., decentralize finance platforms). In such transactions, a Client may be exposed to additional novel risks including smart contract risk and the risk that the Client may not be able to conduct robust diligence on its counterparties or the other parties engaging with an open finance smart contract.

A Client may appoint (directly or through its principal service providers) custodians or sub-custodians in certain non-U.S. jurisdictions to hold the assets of the Client. A Client may therefore have a potential exposure on the default of any custodian or sub-custodian and, as a result, many of the protections which would normally be provided to a customer by a U.S. custodian will not be available to a Client. 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 a Client to recover assets held by a sub-custodian in the event of the sub-custodian's bankruptcy would be in doubt.

Under certain circumstances, where a Client is unable to utilize a third-party custodian to hold a Digital Asset, to engage in certain services related to a Digital Asset (e.g., staking), or to engage in future portfolio transactions, or where we otherwise deem prudent, a Client may engage in self-custody through the security practices designed by us. While we believe these security practices are well designed, using elements of cold storage, multi-signature wallets and/or multi-party computation, there can be no assurance that a Client's security practices will eliminate the risk of loss, human error, or system design defects. Under such circumstance, a Client may not have a claim against any third party to recover any potential losses.

Transaction costs on Digital Asset trading platforms, with OTC counterparties and on Digital Asset networks (including open finance applications) may be at certain times extremely high due to high demand and relative liquidity. In addition, Digital Assets network may experience disruptions of periods of heavy congestion that delay the ability of parties to transact on the Digital Asset network or with Digital Asset trading platforms, OTC counterparties and smart contract applications (e.g., open finance). We will seek best execution, but may be required to pay commissions and transaction costs at rates higher than expected in order to facilitate a Client's investment objective and may not be able to timely process transactions.

Risks Relating to Availability of Banking Services

Banks may not provide banking services, or may cut off banking services, to businesses that provide digital currency-related services or that accept Digital Assets as payment, which could damage the public perception and the utility of Digital Assets as a payment system and could decrease the price of Digital Assets and adversely affect an investment in a Client. A number of companies that provide Digital Assets-related services have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such companies 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 or companies that accept Digital Assets for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide Digital Asset-related services

have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of Digital Assets as a payment system and harming public perception of digital currency or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of Digital Assets as a payment system and the public perception of Digital Assets could be damaged if banks were to close the accounts of many or of a few key businesses providing Digital Asset related services. This could decrease the value of the Digital Assets held by a Client and therefore adversely affect an investment in the Client.

The risks outline above are likely enhanced by failures and/or bankruptcy of banks around the world, like the 2023 failures of Silvergate Bank, Signature Bank and Silicon Valley Bank, some of which provided banking services to Digital Asset-related companies like our Clients. If Digital Asset-friendly banks fail and remaining banks are not open to accepting Digital Asset companies as depositors, it will necessarily reduce the options that Digital Asset companies (including our Clients) have for deposit accounts and banking services. This may also result in a concentration of Digital Asset companies relying on fewer banks to provide services. A potential concentration of Digital Asset companies within the banking industry may introduce unforeseen adverse risks for such banks and our Clients (and portfolio companies). The inability to secure replacement banking relationships as the result of a failure of a bank where a Client (or portfolio company) currently banks, might result in the unbanked entity being unable to meet its payment obligations to its employees and consultants, its service providers and advisors, taxing authorities and others, any one of which could result in the ultimate failure of the unbanked entity.

Intellectual Property Rights Claims May Adversely Affect the Operation of Digital Asset Networks

Third parties may assert intellectual property claims relating to the operation of various Digital Assets and their source codes relating to the holding and transfer of such assets. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in a Digital Asset's long-term viability or the ability of end-users to hold and Digital Assets may adversely affect an investment in a Client. Additionally, a meritorious intellectual property claim could prevent a Client and other end-users from accessing a Digital Asset network or holding or transferring their Digital Assets, which could force such Client to terminate and liquidate its Digital Assets (if such liquidation of the Client's Digital Assets is possible). As a result, an intellectual property claim against a Client could adversely affect an investment in such Client.

Risk from Unique Governance Model

In many cases, our Clients will be investing directly in a Digital Asset that lacks the governance aspects that generally pertain to equity securities. For example, a holder of a Digital Asset generally does not have the right to appoint board members or otherwise vote on corporate actions of the entity that has issued the Digital Asset. As a result, the General Partner of each Client will have limited, if any, ability to influence the actions of the issuer of the Digital Asset and such lack of influence may negatively impact the value of any particular investment.

Protocol Governance

With respect to Digital Asset investments made by our Clients, certain portfolio companies and or issuers of Tokens held by our Clients may utilize decentralized autonomous organizations or other governance models that permit stakeholders to vote on the direction

of and/or material matters relating to a blockchain-based project. To the extent that they have personal investments in such issuers, our employees are not required to vote their personal holdings in such Digital Assets in any specific way and may (and are permitted to) vote in a manner that creates a conflict of interest with the interests of our Clients.

Risk from Conflicts between Equity Holders and Holders of Digital Assets

In some cases, a Client may purchase traditional equity securities in an issuer in addition to, or in lieu of, purchasing Digital Assets from the issuer. To the extent that a Client has an economic interest in either traditional equity securities or a Digital Asset, the economic incentives of the Client may diverge from those of other equity or Digital Asset holders. As a result, the value of an investment or the ability to realize that value may be compromised by these potentially divergent economic interests.

Network Participation and Proof of Stake Risk

Our Clients may directly or indirectly deploy some of its assets through protocols that allow participants to perform various services, including but not limited to facilitation and verification of transactions through a concept known as Proof of Stake, curation, governance, and dispute resolution (“Active Network Participation”). Some protocols allow holders with a larger amount of the Digital Asset (i.e., stakes) deposited in the protocol to be awarded with additional Digital Assets through Active Network Participation. Those with stakes in some protocols may also have the ability to govern and vote on how the protocol is controlled in the future. As protocols may require storing a large amount of the relevant Digital Asset for a potentially long period of time in order to engage in Active Network Participation, such investments may be illiquid for an extended period of time before there is any return on investment. Such illiquidity could have an adverse effect on our affected Clients. Further, Active Network Participation is subject to the same risks associated with Digital Assets in general including, but not limited to, equipment failure, regulatory action, and a failure of the network which the stake is deposited on.

In the future we may lend or delegate a Client’s Digital Assets to be deployed through Active Network Participation by a third party or an affiliate of ours (the “ANP Service Provider”) and such Client will be subject to all risks associated with the ANP Service Provider including its continuing operation. Such a Client may purchase assets from the ANP Service Provider pursuant to valuation and exchange mechanics set forth in a separate agreement between the parties. Entities such as the ANP Service Provider may also be subject to regular security threats. Further, the IP address for the ANP Service Provider may be public which increases its potential exposure to security breaches including hacking, malware and general security threats. A security breach, technical, or operational failure of the ANP Service Provider may result in loss of a Client’s assets and may have a negative impact on the performance of the Client.

Risk of Slashing

Many protocols that support Active Network Participation include “slashing”, which is a penalty for taking certain actions or failing to meet certain standards, such as staking validators that incorrectly validate a transaction. Such penalties may include, but are not limited to, foregoing of rewards from Active Network Participation, loss of staked Digital Assets, or a ban from participating on a particular network. If a Client or the ANP Service

Provider, as applicable, meets the slashing conditions for a particular protocol it may result in loss of the Client's assets and may have a negative impact on the performance of the Client.

Proprietary Storage and Other Digital Asset Technology

We may create, operate, and/or maintain proprietary mining software and hardware, cold storage, security protocols, and other technology with respect to Digital Assets due to the absence of alternatives or for other reasons. Such technology created by us is subject to risks including, but not limited to, unexpected difficulties or failures in creating, maintaining, and/or operating such technology, significant capital requirements, rapid technological development that makes the technology obsolete, intellectual property infringement claims, dependence on us and our personnel for continued operation and access, and scarcity of and/or difficulty retaining sufficiently skilled personnel. For these and other reasons, use of technology created, operated, and/or maintained by us may pose greater risks than if a Client were to use third party or otherwise established technology.

Initial Coin Offerings Risk

Our Clients may invest some of their Digital Assets in ICOs. ICOs allow for investors to purchase certain Digital Assets offered or created by blockchain based companies on various platforms in exchange for dollars or already established Digital Assets which can then be converted to dollars on a Digital Asset exchange. Prior to an ICO, many blockchain based companies offer presale Tokens or Digital Assets. Presale Tokens or currencies may be sold or used to buy additional tokens or currencies at a later point in time for a potentially higher value than originally purchased for. Our Clients, collectively, may invest in all stages, including presale rounds of ICOs. ICOs and various Token presales are currently unregulated and are subject to fraud, security breaches, regulatory developments, enforcement actions, and technological developments. There is no guarantee that the token or currency purchased will have any value or worth. ICOs can at any point become subject to federal and state securities laws, federal commodity laws, and various international regulations, among other restrictions. The SEC has issued a release stating, and recent SEC enforcement actions have reiterated its view, that depending on the specific facts and circumstances of the Digital Asset in question, some ICOs may fall under securities regulation. Such future restrictions may have an adverse impact on a Client's assets or on a Client's ability to sell its assets. As investors can purchase new tokens with already existing Digital Assets, investments in ICOs and presales subject a Client to all risks associated with Digital Assets in general.

Forks and Airdrops

The blockchain code for a Digital Asset may be split, resulting in two different Digital Assets: one that is unaltered and a second, new Digital Asset whose code is based on but differs from the original Digital Asset's code (a "**Hard Fork**"). Further, new Digital Assets may be distributed via "airdrops" to holders of certain existing Digital Assets (an "**Airdrop**"). New Digital Assets provided via a Hard Fork or Airdrop are provided involuntarily and without consideration. A Hard Fork or Airdrop may affect the value of the original Digital Asset. We in our sole discretion, may elect to claim (or alternatively, leave unclaimed) the new Digital Asset created as a result of a Hard Fork or Airdrop.

Inability to Realize Benefits of Hard Forks or Airdrops

A Client may not be able to realize the economic benefit of a Hard Fork or Airdrop, either immediately or ever, which could adversely affect an investment. If the Client holds a Digital Asset at the time of a Hard Fork into two Digital Assets, it would be expected to hold an equivalent amount of the old and new assets following the Hard Fork. However, the Client may not be able, or it may not be practical, to secure or realize the economic benefit of the new asset for various reasons. For instance, a custodian or security service provider may not agree to provide the Client access to the new asset. In addition, the Client may determine that there is no safe or practical way to custody the new asset, or that trying to do so may pose an unacceptable risk to the Client's holdings in the old 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.

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

In addition, a Digital Asset held by a Client may become subject to a similar occurrence known as an Air Drop. In an Air Drop, the promoters of a new Digital Asset announce to holders of another Digital Asset that they will be entitled to claim a certain amount of the new Digital Asset for free. For example, in March 2017 the promoters of Stellar Lumens announced that anyone that owned Bitcoin as of June 26, 2017 could claim, until August 27, 2017, a certain amount of Stellar Lumens. For the same reasons as described above with respect to Hard Forks, a Client may or may not choose, or be able, to participate in an Air Drop, 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 Client's participation would be subject to our discretion. Any inability to recognize the economic benefit of a Hard Fork or an Air Drop could adversely affect an investment.

Risk to Digital Asset Networks from Malicious Actors

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on certain Digital Asset networks, it may be able to alter the blockchain on which the Digital Asset transaction relies by constructing alternate blocks if it is able to solve for such blocks faster than the remainder of the miners on the Digital Asset network can add valid blocks. In such alternate blocks, the malicious actor or botnet could control, exclude or modify the ordering of transactions, though it could not generate new Digital Assets or transactions using such control. Using alternate blocks, the malicious actor could double spend its own Digital Assets and prevent the confirmation of other users' transactions for so long as it maintains control. To the extent that such malicious actor or botnet does not yield its majority control of the processing power on various Digital Asset networks or the Digital Asset community does not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible. Such changes could adversely affect an investment in our Clients or the ability of our Clients to transact.

Future Regulatory Change is Impossible to Predict

The securities and derivatives markets are subject to comprehensive statutes, regulations and margin requirements. In addition, the SEC, the CFTC, and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the

retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of trading. The regulation of securities and derivatives both inside and outside the United States is a rapidly changing area of law and is subject to modification by government and judicial action.

Our Clients invest primarily in Digital Assets, some of which are currently either not regulated, or are in the early stages of regulation by U.S. federal and state governments, or self-regulatory organizations. Current and future legislation, CFTC and SEC rulemaking and other regulatory developments as well as judicial decisions may impact the manner in which Digital Assets are treated for classification and clearing purposes. In particular, various Digital Assets may not be excluded from the definition of a “commodity future” or “security” by such future CFTC and SEC rulemaking, respectively. As Digital Assets have grown in popularity, certain U.S. agencies, such as FinCEN, the SEC, and the CFTC, have begun to examine Digital Assets and the operations of Digital Assets in depth. Currently, the SEC has not formally asserted regulatory authority over Digital Assets. However, an SEC release has stated and subsequent communication from SEC Staff and Commissioners has amplified the regulator’s current view that certain Digital Assets may be securities, depending on the specific facts and circumstances of the Digital Asset in question. The CFTC has declared that some Digital Assets are commodities, but currently, only certain kinds of Digital Assets may be subject to CFTC jurisdiction.

To the extent that Digital Assets are deemed to fall further within the definition of a security pursuant to legislation, judicial decisions or subsequent rulemaking by the SEC, we and the Clients may be required to register and comply with additional regulation under the Advisers Act or similar state investment advisory statutes. Such additional registrations may result in extraordinary, non-recurring expenses of each of our Clients. If we determine not to comply with such additional regulatory and registration requirements, the Clients may need to be terminated and liquidated at a time that may be disadvantageous to investors.

To the extent that Digital Assets are deemed to fall further within the definition of a commodity future or further within the scope of CFTC jurisdiction pursuant to subsequent rulemaking by the CFTC, we and the Clients may be required to register and comply with additional regulation under the U.S. Commodity Exchange Act, as amended (“CEA”). Moreover, we may be subject to further requirements with the CFTC through the National Futures Association. Such additional registrations or disclosures may result in extraordinary, non-recurring expenses of each of our Clients. If we determine not to comply with such additional regulatory and registration requirements, the Client may need to be terminated and liquidated at a time that may be disadvantageous to investors.

Digital Assets currently face an uncertain regulatory landscape in not only the United States but also in many foreign jurisdictions such as the European Union, UK, South America, as well as African and Asian countries. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect the Digital Asset network and its users, particularly Digital Asset exchanges and service providers that fall within such jurisdictions’ regulatory scope. Such laws, regulations or directives may conflict with those of the United States and may negatively impact the acceptance of Digital Assets by users, merchants and service providers outside of the United States and may therefore impede the growth of the Digital Asset economy.

The effect of any future domestic or foreign regulatory change on the Clients is impossible to predict, but such change could be substantial and adverse.

No FDIC or SIPC Protection

Digital Assets held by our Clients are not subject to FDIC or SIPC protections. Our Clients are not banking institutions or otherwise a member of the FDIC or SIPC and, therefore, deposits held with or assets held by the Client are not subject to the protections enjoyed by depositors with FDIC or SIPC member institutions. The undivided interest in the Client's Digital Assets represented by Interests in the Client is not insured.

Legality of Digital Assets

It may be illegal, now or in the future, to own, hold, sell or use Digital Assets in one or more countries, including the United States. Although currently most Digital Assets are not regulated or are lightly regulated in most countries, including the United States, one or more countries may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use Digital Assets or to exchange Digital Assets for fiat currency. Such an action may restrict the Client's ability to hold or trade Digital Assets, and could result in termination and liquidation of the Client at a time that is disadvantageous to Investors, or may adversely affect an investment in the Client.

Tax Risk of Digital Asset Investments

There is substantial uncertainty regarding the tax treatment of Digital Assets. As such, we may take certain tax positions that may ultimately be treated differently in the course of an audit by the U.S. Internal Revenue Service ("IRS"), or the regulations promulgated by the IRS may change over time. As a result, Investors may be subject to adverse tax consequences associated with their investment in a Client.

Possible Tax Implications of Network Participation and Proof of Stake Risk

A Client's involvement in Active Network Participation may be found, for U.S. federal income tax purposes, to result in income that is deemed to be effectively connected with the conduct of a trade or business in the United States. Tax exempt Investors may incur an income tax liability with respect to their share of any UBTI, and non-U.S. Investors may incur an income tax liability with respect to their share of any ECI, that the Client may generate resulting from the Active Network Participation. Each Investor should consult with and rely on its own independent tax counsel as to the U.S. federal income tax consequences of an investment in the Client based on its particular circumstances, well as to applicable state, local or non-United States tax laws.

Trading Risks

General Investment and Trading Risks

An investment in our Clients involves a high degree of risk, including the risk that the entire amount invested may be lost. Our Clients invest primarily in Digital Assets and Digital Asset companies using strategies and investment techniques with significant risk characteristics. No guarantee or representation is made that any of our Clients' programs will be successful. Our Clients' investment programs may utilize investment techniques, the use of which can, in certain circumstances, maximize the adverse impact to which such Client may be subject.

Equity Securities

The value of the equity securities held by our Clients are subject to market risk, including changes in economic conditions, growth rates, profits, interest rates and the market's perception of these securities. While offering greater potential for long-term growth, equity securities are more volatile and riskier than some other forms of investment.

Derivatives

Derivatives are financial contracts whose value depends on, or is derived from, an underlying product, such as the value of a futures or commodities contract. We may make use of derivatives in our trading for Clients who include such activities in their investment strategy. Derivatives often carry a degree of embedded leverage (perhaps even at material levels) and consequently, are highly price sensitive to changes in interest rates, government policies, economic forecasts and other factors which generally have a much less direct impact on the price levels of the underlying instruments. Specifically, the risks generally associated with derivatives include the risks that: (1) the value of the derivative will change in a manner detrimental to the applicable Client; (2) before purchasing the derivative, the applicable Client will not have the opportunity to observe its performance under all market conditions; (3) another party to the derivative may fail to comply with the terms of the derivative contract; (4) the derivative may be difficult to purchase or sell; and (5) the derivative may involve indebtedness or economic leverage, such that adverse changes in the value of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself or in heightened price sensitivity to market fluctuations.

Options

Our Clients may buy or sell (write) both call options and put options on various underlying investments including options on specific securities, Digital Assets, options on securities indices, and options on security futures contracts. When a Client writes options, it may do so on a "covered" or an "uncovered" basis. A call option is "covered" when the writer owns investments of the same class and amount as those to which the call option applies. A put option is covered when the writer has an open short position in investments of the relevant class and amount. Our option transactions may be part of a hedging strategy (i.e., offsetting the risk involved in another investment position) or a form of leverage, in which the Client has the right to benefit from price movements in a large number of investments with a small commitment of capital. These activities involve risks that can be substantial, depending on the circumstances.

In general, without taking into account other positions or transactions a Client may enter into, the principal risks involved in options trading can be described as follows: When a Client buys an option, a decrease (or inadequate increase) in the price of the underlying asset in the case of a call, or an increase (or inadequate decrease) in the price of the underlying asset in the case of a put, could result in a total loss of their investment in the option (including commissions). A Client could mitigate those losses by selling short, or buying puts on, the investments for which it holds call options, or by taking a long position (e.g., by buying the investments or buying calls on them) in investments underlying put options.

When a Client sells (writes) an option, the risk can be substantially greater than when it buys an option. The seller of an uncovered call option bears the risk of an increase in the market

price of the underlying asset above the exercise price. The risk is theoretically unlimited unless the option is “covered”. If it is covered, the Client would forego the opportunity for profit on the underlying asset should the market price of the security rise above the exercise price. If the price of the underlying asset were to drop below the exercise price, the premium received on the option (after transaction costs) would provide profit that would reduce or offset any loss the Client might suffer as a result of owning the asset. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty, market risk, liquidity risk and operations risk.

Swaps

Swaps are inherently risky. First, institutions that develop swap contracts have fees that are built into the price, thereby increasing a Client’s exposure to third-party fees. Second, the nature of a swap is that you reduce risk while also reducing a potential upside; that is, hedging would lock a low price in while prices are high, however it would lock in a high price if prices are low. Swaps are also based on financial market prices that might not always track the cost of a product in the real market. Lastly, the biggest risk in a swap is the risk that the party on the other side of the swap, sometimes referred to as the counterparty, defaults. In such an instance, the swap would essentially be worthless if the counterparty is unable to make the payment.

Futures

Futures markets are highly volatile. Investing in the futures markets involves being able to analyze correctly such markets, which are influenced by, among other things, changing supply and demand relationships, weather, governmental, agricultural, and commercial and trade programs and policies designed to influence commodity prices, world political and economic events and changes in interest rates. Moreover, investments in commodities, futures and options contracts involve additional risks including, without limitation, leverage (i.e., margin is usually only five percent (5%) to fifteen percent (15%) of the face value of the contract and exposure can be nearly unlimited) and credit risk vis-à-vis the contract counterparty.

Positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract increases or decreases by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent our Clients from promptly liquidating unfavorable positions and subject it to substantial losses.

Short Selling

Our Clients may engage in short selling as part of its general investment strategy. Short selling involves selling an asset (including a Digital Asset) that is not owned by a Client and borrowing the same asset for delivery to the purchaser, with an obligation to replace the borrowed asset at a later date. Short selling allows our Clients to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the assets. However, because the borrowed assets must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed assets would result in a loss upon such repurchase. Our Clients’ obligations under its short sales will

be marked to market daily and collateralized by the Clients' assets held at an exchange, including its cash balance and its long positions in Digital Assets. Because short sales must be marked to market daily, there may be periods when short sales must be settled prematurely, and a substantial loss would occur. Purchasing assets to close out a short position can itself cause the price of such assets to rise further, thereby exacerbating losses. Short selling exposes a Client to unlimited risk with respect to that asset due to the lack of an upper limit on the price to which an instrument can rise. Short sales may be utilized to enhance returns and hedge the portfolio. We anticipate that the frequency of short sales will vary substantially during different periods. There are no prescribed limits to the amount of Client assets that may be subject to short sales.

Use of Leverage

Our Clients who include the use of leverage as part of their investment strategy may leverage its capital because we believe that the use of leverage may enable such Client to achieve a higher rate of return. Accordingly, such a Client may pledge its investments in order to borrow additional funds for investment purposes. A Client may also leverage its investment return with options, short sales, swaps, forwards, and other derivative instruments. The amount of borrowings which a Client may have outstanding at any time may be substantial in relation to its capital. While leverage presents opportunities for increasing a Client's total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by a Client would be magnified to the extent the Client is leveraged. The cumulative effect of the use of leverage by a Client in a market that moves adversely to the Client's investments could result in a substantial loss to the Client which would be greater than if the Client were not leveraged. The use of short-term margin borrowings results in certain additional risks to such a Client. For example, should the securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which the Client must either deposit additional Digital Assets, funds or securities with the broker or suffer mandatory liquidation of the pledged assets to compensate for the decline in value. In the event of a sudden drop in the value of a Client's assets, the Client might not be able to liquidate assets quickly enough to satisfy its margin requirements.

Hedging Transactions

We, on behalf of a Client, will not, in general, attempt to hedge all or any market or other risks inherent in the Client's portfolio positions, and may hedge certain risks, if at all, only partially. A Client may choose not, or may determine that it is economically unattractive, to hedge all or certain risks – either in respect of particular positions or in respect of its overall portfolio. A Client's portfolio composition will commonly result in various directional market risks remaining unhedged. Even if we are successful in reducing or controlling risk through hedging, the cost of hedging may have the effect of reducing returns. Furthermore, it is possible that our hedging strategies will not be effective in controlling risk, due to unexpected non-correlation (or even positive correlation) between the hedging instrument and the position being hedged, increasing rather than reducing both risk and losses.

Counterparty Risk

Some of the markets in which our Clients may affect their 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 Client 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 Client to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where a Client has concentrated its transactions with a single or small group of counterparties. Our Clients are not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, our Clients have no internal credit function that evaluates the creditworthiness of their counterparties. The ability of a Client 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 these Clients.

Item 9: Disciplinary Information

To the best of our knowledge, there are no legal or disciplinary events that are material to an Investor's or prospective investor's evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities and Affiliations

Neither we nor our management persons are registered as broker-dealers, and neither of us has any application pending to register with the SEC as a broker-dealer or registered representative of a broker-dealer, respectively.

Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading

Code of Ethics

We have adopted a “**Code of Ethics**” that sets forth the standards of conduct expected of all our Managing Partners and employees providing services to our Clients (“**Access Persons**”) and requires compliance with applicable securities laws.

Our Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by us or any of our Access Persons. Prospective clients and Clients may contact us at the telephone number or email listed on the cover of this Brochure to arrange to review a copy of our Code of Ethics. We have appointed an individual to serve as Chief Compliance Officer who, together with senior management, will be responsible for monitoring and enforcing the Code of Ethics.

The Code of Ethics establishes the high standard of conduct that we expect of our Access Persons and procedures regarding our Access Persons’ personal trading of securities. The foundation of our Code of Ethics is based upon the following underlying fiduciary principles:

- Access Persons must at all times place the interests of the Client and Investors first;
- Access Persons must ensure that all personal securities and Digital Assets transactions are conducted consistent with the Code of Ethics’ Personal Trading Policy; and
- Access Persons should not take inappropriate advantage of their position at the Firm.

Further, our policies provide that all employees must act within the spirit and the letter of all federal, state, and local laws and regulations pertaining to the securities business, and at all

times, the interest of each client has precedence over any personal interest. Our Code of Ethics requires employees to report their personal securities transactions and prohibits Access Persons from directly or indirectly engaging in certain securities transactions without first obtaining approval. In addition, the Code of Ethics requires Access Persons to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information.

The Code of Ethics, which is designed to comply with Rule 204A-1 under the Advisers Act, establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Access Persons and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Client, including Digital Assets, subject to the terms of the Code of Ethics. Under the Code of Ethics, Access Persons are required to file certain periodic reports with our Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. In addition, we use software platforms for the monitoring of certain Access Person investments, as well as certifications and reporting deliverables. The Code of Ethics helps us detect and prevent potential conflicts of interest. Our personnel are also required to promptly report any suspected or actual violation of the Code of Ethics of which they become aware. Access Persons are required to annually certify compliance with the Code of Ethics.

We will provide a copy of our Code of Ethics to our Investors, or any prospective investor, upon request, to be viewed on the premises of our headquarters.

Resolution of Conflicts of Interest

We seek to identify and resolve conflicts of interest in the best interests of our Clients and their Investors. In the case of all conflicts of interest, our determination as to which factors are relevant, and the resolution of such conflicts, will be made using our best judgment, but in our sole discretion. In resolving conflicts, we may consider various factors, including the interests of the applicable Clients with respect to the immediate issue and/or with respect to their longer-term courses of dealing.

To the extent possible, we seek to resolve potential conflicts of interest in such a way so as to prevent the potential conflict of interest from becoming an actual or apparent conflict of interest.

Where conflicts of interest that involve us or our employees on one hand, and one or more Clients or their underlying investors on the other hand, we seek to resolve potential conflicts of interest in a way that favors the interests of our Clients or their underlying investors over our or our employees' interests.

In some instances, conflicts of interest may arise between Clients or Investors. We will seek to resolve these conflicts in a way that is as fair and reasonable for all affected parties, even if the ultimate resolution could nevertheless disadvantage or appear to disadvantage one or more of the parties to some extent.

While we endeavor to resolve all conflicts in a fair and impartial manner, there can be no assurance that our own interests will not influence our conduct and decisions. The material conflicts of interest encountered by Clients include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by them. Other conflicts may be disclosed throughout this brochure and the applicable Client's Offering

Documents and the brochure and such Offering Documents should be read in their entirety for other conflicts.

When conflicts arise, the following factors may mitigate, but will not eliminate, conflicts of interest:

- A Client will not make an investment unless we believe that such investment is an appropriate investment considered from the viewpoint of the Client;
- Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the Offering Documents for the Client;
- Some Clients have established an advisory committee, consisting of representatives of Investors not affiliated with us. The advisory committee meets as required to consult with us as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, we will be guided by our good faith discretion;
- Where we deem appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of a qualified third party to opine as to the fairness of a purchase or sale price; and
- Prior to subscribing for interests in a Client, each Investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Client.

Participation or Interest in Client Transactions

Certain of our employees and affiliates invest in and alongside our Clients, either through the general partner or as direct investors in a Client or otherwise. A Client or its general partner, as applicable, may reduce all or a portion of the Management Fee, Performance Allocation or Carried Interest related to investments held by such persons.

We, our affiliates and our employees also engage, and in the future may engage, in a broad spectrum of activities, including direct investment activities (including trading in Digital Assets and alternative currencies outside of client portfolios) and investment advisory activities, and have extensive investment activities (including investments for their own account) on behalf of both persons or entities to which they provide investment advice on a principal basis that are independent from the activities of the Clients, and may from time to time conflict with or be adverse to advice given or action taken for Clients, including by buying or selling Digital Assets at different times than Clients, or when a Client is doing the opposite. These activities may adversely affect the prices and availability of other securities or instruments held by or potentially considered for one or more Clients.

We, our affiliates, and members, officers, principals and employees and our affiliates from time to time buy or sell Digital Assets or other potential investments that we may have recommended to a Client, or in other assets that are otherwise suitable for investment by a Client. Our principals and employees may also buy securities or Digital Assets in transactions offered to but rejected by our Clients. A conflict of interest may arise because such investing personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by us on behalf of a Client. In such circumstances, the investing personnel will not share or reimburse the Client for any expenses incurred in connection with the investment opportunity.

In addition, our personnel may also buy securities in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles)

which may include potential competitors of our Clients and/or which may invest in similar assets as our Clients. Such 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 investments as our Clients and there may be situations in which such investment vehicle purchases an investment from, or sells an investment to, a Client. Such personnel may be incentivized to cause a Client 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 our Code of Ethics and Investors will not benefit from any such investments. The investment policies, fee arrangements and other circumstances of these investments may vary from those of our Clients. If our personnel have made large capital investments in or alongside Clients, they will have conflicting interests with respect to these investments.

In addition, Clients from time to time invest in Digital Assets or securities of companies in which our personnel previously invested for their own accounts. While the significant interests of our personnel generally align the interest of such persons with the Clients, such persons may have interests that substantially differ from our Clients' interests due to differences in liquidation preference, voting rights, lock up periods or other investment terms. This may result in such persons having personal investment interests that directly conflict with the interests of our Clients.

Our personnel may and frequently do invest in our Clients. Such personnel may be in possession of information relating to those Clients that is not available to other investors and prospective investors. Our personnel are not required to keep any minimum investment in each Client and may invest in other Clients. It is expected that, if such investments are made, the size and nature of these investments may change over time without notice to the investors. Investments by our personnel in our Clients could incentivize such personnel to increase or decrease the risk profile of those Clients.

Personnel in certain cases may serve as directors of or observers on boards with respect to certain portfolio companies or related entities or foundations. Conflicts of interest may arise in the event that such personnel's fiduciary duties as a director conflicts with our duties to our Clients. For instance, such positions could impair the ability of a Client to sell the securities of an issuer in the event our personnel serving as directors or board observers receive material non-public information by virtue of their role(s), which would have an adverse effect on the Client. Furthermore, personnel serving as a director to a portfolio company owe a fiduciary duty to the portfolio company, on the one hand, and the relevant Client, on the other hand, and such personnel may be in a position where they must make a decision that is either not in the best interest of the Client or is not in the best interest of the portfolio company. Personnel serving as directors may make decisions for a portfolio company that negatively impact returns received by a Client investing in the portfolio company. In addition, to the extent our personnel serve as a director on the board of more than one portfolio company, such person's fiduciaries duties among the two portfolio companies may create a conflict of interest. Certain decisions made by a director may subject us, our affiliates or a Client 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 Clients will indemnify us and our personnel from such claims. In addition, personnel may leave our employment and become an officer or personnel of a portfolio company.

We have established policies and procedures designed to identify, monitor and resolve conflicts with respect to investment opportunities in a manner we deem fair and equitable,

including the restrictions placed on personal trading in the Code of Ethics, including those conflicts that may arise as a result of personal trades in the same or similar Digital Asset made at or about the same time as Client trades. We utilize software-based platforms to administer and monitor pre-approval, tracking and certifications of, and restrictions on, personal trading in securities and Digital Assets of our personnel.

Co-Investments

We and our affiliates may, from time to time, offer one or more Investors in the Clients and/or other third-party investors the opportunity to co-invest with the Clients in particular investments. We and our affiliates are not obligated to arrange co-investment opportunities, and no Investors will be obligated to participate in such an opportunity. We and our affiliates have sole discretion as to the amount (if any) of a co-investment opportunity that will be allocated to a particular Investor and may allocate co-investment opportunities instead to investors in other Clients or accounts or to third parties. If we determine that an investment opportunity is too large for the Clients, we and our affiliates may, but will not be obligated to, make proprietary investments therein. We or our affiliates may receive fees and/or allocations from co-investors, which may differ as among co-investors and also may differ from the fees and/or allocations borne by the Clients.

In addition, co-investment vehicles may be formed to make investments alongside a Client. 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 Client. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the Investors. Subject to any investment allocation procedures or other specific agreements with Investors, in general, (i) no Investor in a Client has a right to participate in any co-investment opportunity, and investing in a Client 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 our sole discretion or our related persons or other participants in the applicable transactions, such as cosponsors; (iii) co-investment opportunities may, and typically will, be offered to some and not other Investors in a Client, in our sole discretion and 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 in the same Client, with the same, larger or smaller capital commitments to such Client; and (iv) certain persons other than Investors in a Client (e.g., another Client, funds managed by another investment adviser in which one of our Managing Partners have an ongoing role, consultants, joint venture partners, persons associated with an investment and other third-parties, including persons who we believe will provide a benefit to a Client and/or one or more portfolio investments or who provide a strategic sourcing or similar benefit to us, a Client, 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 in a Client, will, from time to time, be offered co-investment opportunities in our sole discretion.

Investment Related Conflicts

Certain Clients may hold investments in Digital Asset-related companies, while Clients hold Digital Assets related or correlated to the activities of such Digital Asset-related companies. Conflicts of interest may arise in that we may be incentivized to purchase (and not divest) Digital Assets developed by blockchain technology companies in which certain Clients invest.

In the event we determine that a primary or secondary market purchase of Digital Assets or any other investment is appropriate for more than one Client, we will allocate participation in such opportunity based on our allocation policies. We will generally consider, among other factors, the investment mandate of the applicable Clients; the available capital and existing portfolio weightings for such Clients; the stage, liquidity and risk/return profile of the Investment opportunity; and the total available investment opportunity for our Clients. In addition, the Clients may, from time to time, have the opportunity to acquire both securities of a Digital Asset-related company and a related or correlated Digital Asset through primary or secondary market purchase opportunities or vice versa; in some cases, these investment opportunities may be follow-on investments. In such cases, investment opportunities in such token offerings of Digital Assets will be allocated among the applicable Clients in a manner that is fair and equitable; however, there can be no assurance the Clients will be allocated all opportunities that fall within their investment objectives or that such allocations will be proportional. We will have no obligation to purchase or sell an investment for, enter into a transaction on behalf of, or provide an investment opportunity to, a Client solely because we purchase or sell the same investment for, enters into a transaction on behalf of, or provides an opportunity to, another Client, if in its reasonable opinion, such investment, transaction or investment opportunity does not appear to be suitable, practicable or desirable for such Client.

We are subject to differing compensation arrangements for the Clients, and we may be incentivized to take action with respect to investments held by the Clients in order to maximize its compensation from one Client over another. Investments to finance follow-on acquisitions may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Client in a portfolio company or Digital Asset in which another Client has previously invested. In addition, a Client may participate in re-leveraging and recapitalization transactions involving portfolio companies in which another Client has already invested or will invest. Conflicts of interest may arise, including determinations of whether existing Investors are being cashed out at a price that is higher or lower than market value and whether new Investors are paying too high or too low a price for the company or Digital Asset or purchasing securities or Digital Assets with terms that are more or less favorable than the prevailing market terms.

From time to time we cause a Client to purchase Digital Assets developed by, offered by or otherwise related to portfolio companies of one Client or another Client. We may be incentivized to purchase (and not divest) Digital Assets developed by, offered by or otherwise related to portfolio companies of one Client, which raises a conflict of interest in that such arrangement may be more advantageous for the applicable portfolio company than to another Client that is investing in the Digital Assets.

We may be subject to conflicts relating to our selection of Digital Asset intermediaries, trading platforms and counterparties on behalf of the Clients. Client portfolio transactions will be allocated to intermediaries, exchanges and counterparties on the basis of numerous factors and not necessarily lowest pricing. Intermediaries, exchanges and counterparties have at times provided other services that are beneficial to us or other Clients but may not be the most cost-effective solution for a particular Client.

Certain Clients have invested in or established Digital Asset trading platforms or other Digital Asset service providers, including businesses that focus on staking, storage, security and custody of Digital Assets. We have caused and expect in the future to cause one or more

Clients to transact with such affiliated service providers. Such affiliated service providers receive compensation when effecting Digital Asset transactions on behalf of or providing services to certain Clients.

Conflicts of interest may arise from the fact that any service provider to a Client (“**Service Provider**”) or any affiliate of a Service Provider may provide services to, or have business, financial, personal or other relations with (i) other private funds with investment programs similar ours or (ii) we or any of our affiliates. Certain Service Providers or affiliates of Service Providers may be Investors in the Clients, a source of investment opportunities or a co-investor or commercial counterparty or entity in which we have an investment.

We have developed a proprietary and patent pending periodic rate that measures the average annualized yield awarded to all eligible validators staking ether on the Ethereum blockchain. CESR [™] is derived from new staking rewards emitted from the Ethereum proof of stake blockchain and transaction fees accrued over a one-day observation period. As CESR is commercialized, one or more portfolio companies of our Clients may license CESR for their own use or for use in products that they sell or license to third parties. To the extent that we receive licensing fees related to portfolio companies’ use of CESR, our Clients will not share in such income streams.

In Kind Distributions

Our Clients are permitted to make distributions in kind that could consist of investments (including securities or Digital Assets) for which there is no readily available public market or securities of entities unable to meet required interest or sinking fund payments. The investments distributed in kind will generally be valued by a general partner at what it deems their “fair market value,” and this valuation will be conclusive for various purposes, including for the calculation of any performance fee or allocation owed. Distributed investments may be subject to a variety of legal or practical limitations on sale. Such securities or Digital Assets may experience periods of limited liquidity, price volatility or a decline in market value. The ability of Investors to liquidate positions in such investments is subject to these risks, and Investors must be prepared to hold such investments for an extended period of time. The value of the investments distributed may increase or decrease before such investments are sold, and such Investor will incur transaction costs in connection with the sale of any such investments. The risk of loss and delay in liquidating these investments will be borne by the Investors, with the result that such Investors may ultimately receive less cash than it would have received if it had been paid in cash. We or a general partner may also cause distributions of an investment from one Client and not for another Client that holds a similar position; this disposition may result in a circumstance where Investors in one Client have greater liquidity in or control over a distributed investment than the Investors in a Client that has not distributed such investment.

Valuation

Our Clients’ assets and liabilities are valued in accordance with our valuation policy and the terms of the applicable Offering Documents. In making valuation determinations, we may be deemed subject to a conflict of interest, as the valuation of such assets and liabilities affects its compensation and the compensation of a general partner and our personnel. There is no guarantee that the value determined with respect to a particular asset or liability by us will represent the value that will be realized by the Clients on the eventual disposition of the related investment or that would, in fact, be realized upon an immediate disposition of the

investment and the differences could be material. The valuation of investments will affect the amount and timing of a general partner's performance fee or incentive allocation. In addition, we have the ability to determine whether or not an investment is considered to be impaired, such determination may benefit us with respect to the management fees that are charged to Clients. The valuation of investments may also affect our ability to raise a successor fund to a Client. As a result, there may be circumstances where a general partner is incentivized to determine valuations that are higher than the actual fair value of investments.

Other Conflicts

We and our 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 our activities on behalf of the Clients, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Client expenses may result in "miles" or "points" or credit in loyalty/status programs to us and/or our personnel, and such benefits, rewards and/or amounts (whether or not de minimis or difficult to value) will exclusively benefit us and/or such personnel even though the cost of the underlying service may be borne by the Clients, 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 Client, its Investors and/or the portfolio companies. In addition, airline travel incurred as a Client expense for our personnel traveling for appropriate Client-related purposes (including, without limitations, travel related to a portfolio company, a prospective portfolio company or other Client-related matter) may benefit such personnel to the extent the trip also serves a personal purpose.

We may, in its discretion, have, and may, in its discretion, cause a Client and/or its portfolio companies to have, ongoing business dealings, arrangements or agreements with persons who are former employees or executives of ours. Our Clients 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 us and the Clients (or its portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that we 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.

Item 12: Brokerage Practices

We are authorized to determine the broker-dealer to be used for executing securities and Digital Assets transactions for our Clients. In selecting broker-dealers to execute transactions, we do not need to solicit competitive bids and do not have an obligation to seek the lowest available commission cost. It is not our practice to negotiate "execution only" commission rates; therefore, the Clients may be deemed to be paying for research, brokerage or other services provided by the broker which are included in the commission rate.

We shall also have the authority to select and appoint custodians of the assets of the Clients. Our authority is limited by our own internal policies and procedures and each Client's investment guidelines.

Best Execution

In selecting an appropriate broker-dealer to effect a client trade, we seek to obtain “**Best Execution**,” meaning generally the execution of a securities transaction for a client in such a manner that a client’s total costs or proceeds in the transaction are most favorable under the circumstances.

While the question of whether Digital Assets are “securities” has not been established by applicable law, rule, regulation or policy, we seek to satisfy best execution considerations when transacting in Digital Assets on behalf of our Clients. Accordingly, when considering quantitative factors as part of its Best Execution process we will consider the impact any “gas fees” that might be incurred on one trading platform would have on the total acquisition cost of such digital assets against the total acquisition cost for the same asset on other available platforms. Data regarding transaction costs, like “gas fees” are not always available on decentralized cryptocurrency exchanges (a “**DEX**”), accordingly, we generally seek to avoid transacting on a DEX for our Clients where transaction cost data is unavailable.

Applicable regulation regarding Best Execution obligations permits us to also consider qualitative factors in determining where to transact on behalf of our Clients. With regard to trading Digital Assets on a DEX, to the extent applicable and practicable, we will consider the toxicity of a liquidity pool (i.e., the number of digital wallets connected to the liquidity pool that have transacted with wallets that are sanctioned or they themselves have transacted with sanctioned wallets) as a relevant consideration about whether to transact in such liquidity pool.

Soft Dollars

At this time, we do not participate in the use of Soft Dollars, however if we decide to participate in a Soft Dollar program in the future, we will implement the appropriate policies and procedures.

Item 13: Review of Accounts

Our Portfolio Managers and investment professionals continuously monitor and analyze the transactions, positions, and investment levels of the Client to ensure that they conform with the investment objectives and guidelines that are stated in the Client’s Offering Documents. In these reviews, we pay particular attention to any changes in the investment’s fundamentals, overall risk management and changes in the markets that may affect price levels.

Account Reporting

We perform various periodic reviews of each client’s portfolio. Such reviews are conducted by our officers.

We will distribute an audited financial report with respect to the previous fiscal year to all Investors within 120 days of fiscal year end. We may also distribute quarterly unaudited net asset value statements, quarter-end performance reports, and a quarterly investor letter to Investors.

Item 14: Client Referrals and Other Compensation

We do not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither we nor any of our related persons, directly or indirectly, compensate any person who is not a supervised person for client referrals.

Item 15: Custody

We will be deemed to have custody of Client funds and securities because we have the authority to obtain Client funds or securities, for example, by deducting advisory fees from a Client's account or otherwise withdrawing funds from a Client's account. Account statements related to the Clients are sent by qualified custodians to us.

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

Some Digital Assets held by Clients are not "funds" or "securities" and, therefore, will not necessarily be held in the same manner as "funds and securities." However, we, as a fiduciary, take appropriate steps to safeguard these Digital Asset holdings in a manner that we believe is reasonably designed to protect our Clients against loss or misappropriation of the Digital Asset interests.

As noted in Item 8, we may manage our Clients' custody of some or all of its Digital Assets, by generating the private keys that control movement of the various Digital Assets. Our Clients, under our management and supervision, may store such Client's Digital Assets on various Digital Asset exchanges. Such exchanges take various measures to provide safekeeping for the assets held by those exchanges. CoinFund conducts due diligence on such exchanges and security protocols prior to utilizing such services.

In addition to maintaining custody of a Client's Digital Assets on various Digital Asset exchanges, such a Client, under our management and supervision, may store the Client's Digital Assets in a "cold wallet" through hardware or software storage. Digital Asset exchanges may also require us to provide control of the private keys when the exchange is utilized by the Client.

Item 16: Investment Discretion

We will have full discretionary investment authority with respect to the Clients, including authority to make decisions with respect to which securities and Digital Assets to be bought and sold, as well as the amount and price of those securities and Digital Assets.

Item 17: Voting Client Securities

In compliance with Rule 206(4)-6 of the Advisers Act (i.e., the "proxy voting rule"), we have adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, "**Proxies**") in a prudent and diligent

manner that will serve the applicable Client's best interests and is in line with the Client's investment objectives.

We may take into account all relevant factors, as determined by us in our discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

Generally, clients may not direct our vote in a particular solicitation.

Clients may obtain a copy of our Proxy voting policies and our Proxy voting record upon request.

Item 18: Financial Information

We are not required to include a balance sheet for our most recent fiscal year, are not aware of any financial condition reasonably likely to impair our ability to meet contractual commitments to Clients, and have not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19: Requirements for State-Registered Advisers

Item 19 is not applicable to us.