

BITKRAFT Ventures Management, LLC



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PART 2A OF FORM ADV

March 29, 2022

This brochure provides information about the qualifications and business practices of BITKRAFT Ventures Management, LLC (“BITKRAFT”). If you have any additional questions about the contents of this Brochure, please contact us at (650) 690-1968 or martin@bitkraft.vc. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

This brochure dated March 29, 2022, has been prepared according to the requirements and rules promulgated by the United States Securities and Exchange Commission (“SEC”).

BITKRAFT is a registered investment adviser. Registration with the SEC as an investment adviser does not imply that BITKRAFT or any of its principals possess a particular level or skill or training.

Additional information about BITKRAFT is available on the SEC’s website at <http://www.adviserinfo.sec.gov>.

Item 2. Material Changes

This item discusses only specific material changes that are made to the Disclosure Brochure since BITKRAFT's last amendment filing dated October 1, 2021. BITKRAFT has made the following material changes to now be represented in this brochure:

- Item 4. Advisory Business: Updated to reflect the most recent calculation of the Firm's assets under managements, as of December 31, 2021; and
- Item 10. Other Financial Industry Activities and Affiliations: Updated to disclose the newly formed affiliated entities that manage individual Special Purpose Vehicles ("SPVs") outside of the Adviser's management.

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Item 4. Advisory Business

BITKRAFT Ventures Management, LLC (“BITKRAFT” or “Adviser” or the “Firm”), a Delaware limited liability company, is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) that was founded in **November 2018**.

BITKRAFT is wholly owned by Scott Rupp (Founding Managing Partner and Director) and Martin Garcia (Chief Financial Officer).

BITKRAFT provides investment advisory services to pooled investment vehicles that are exempt from registration under the Investment Company Act of 1940 (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). BITKRAFT serves in an investment management or advisory capacity with respect to the following privately offered pooled investment vehicles:

- BITKRAFT Esports Ventures Fund I, L.P., a Cayman Islands exempted limited partnership;
- BITKRAFT Ventures Fund II, L.P., a Delaware limited partnership;
- BITKRAFT Ventures Opportunity Fund I, L.P., a Delaware limited partnership;
- BITKRAFT Ventures Token Fund I, L.P., a Delaware limited partnership.

The four privately offered pooled investment vehicles are referred collectively in this Brochure as the “Funds”. BITKRAFT’s services to the Funds are discretionary in nature and consist of ongoing and continuous management of the investments of the Funds. BITKRAFT provides its advisory services to the Funds in accordance with the investment objectives, investment guidelines and restrictions set forth in the relevant Fund’s organizational and offering documents. The general investment guidelines and restrictions applicable to any particular Fund are negotiated and fixed at the time that the particular Fund is formed, although there may be subsequent revisions with the consent of a Fund’s investors.

BITKRAFT is primarily focused on gaming, Esports, and Interactive Media-related investments. BITKRAFT Funds invest equity capital in companies within the gaming ecosystem that are focused on content, interactive platforms, horizontal technology, and applied gaming mechanics. BITKRAFT utilizes a trusted partnership approach to investing and is committed in leveraging their reputation, experience, and entrepreneurial background to serve as a value-add partner and provide effective strategic positioning. BITKRAFT’s investment professionals possess over 70 years of combined experience in the gaming, Esports, interactive media, and investment industry.

As of December 31, 2021, BITKRAFT managed approximately \$566,661,616 in discretionary assets under management.

Item 5. Fees and Compensation

BITKRAFT Esports Ventures Fund I, L.P. and BITKRAFT Ventures Fund II, L.P.:

BITKRAFT Esports Ventures Fund I, L.P. and BITKRAFT Ventures Fund II, L.P., are collectively in this brochure referred to as the “Venture Funds”. For providing services to Venture Funds, BITKRAFT receives a management fee of 2.25% per annum, calculated on the sum of the capital commitments of all of the Limited Partners as of the first day of each fiscal quarter. The management fee shall be payable in advance in equal quarterly installments. For any partial quarters, the management fee is prorated based in the number of days in such quarter.

Beginning with the first full quarter, following the fifth anniversary of the Initial Contribution Date, the management fee percentage shall decrease by 0.25% per year (i.e., annual management fee of 2.25% of the capital commitments to 2.0%, 1.75%, and so on) but will not be reduced below 1.5%.

Distributions to investors in the Venture Funds are also subject to carried interest (after return of capital) payable to BITKRAFT, and/or its affiliates. (see also Item 6-Performance-Based Fees and Side-By-Side Management).

BITKRAFT Ventures Opportunity Fund I, L.P.:

For providing services to the BITKRAFT Ventures Opportunity Fund I, L.P. (“Opportunity Fund”), BITKRAFT receives a management fee for each of the Partnership’s Fiscal Quarters (or portions thereof), commencing on the Initial Contribution Date. The management fee shall be an amount equal to 0.30% of the product of (i) the Limited Partner Percentage and (ii) the cost basis of Portfolio Securities that have not been sold for cash or sold for Marketable Securities that have been distributed, distributed in kind to the Partners, or written off for federal income tax purposes by the Partnership as of the first day of each such Fiscal Quarter.

Pursuant to agreements previously entered into between the Adviser and each Anchor Limited Partner (“ALP”), the Partnership shall pay reduced management fees with respect to each ALP’s interest in and contributions to the Partnership (such foregone amount in respect of all ALP shall be referred to as the “ALP Fee Savings”).

Distributions to investors in the Opportunity Fund are also subject to carried interest (after return of capital) payable to BITKRAFT, and/or its affiliates. (see also Item 6-Performance-Based Fees and Side-By-Side Management).

BITKRAFT Ventures Token Fund I, L.P.

For providing services to the BITKRAFT Ventures Token Fund I, L.P. (“Token Fund”), BITKRAFT receives a management fee for each of the Partnership’s Fiscal Quarters (or portions thereof), commencing on the Initial Contribution Date. The management fee shall be an amount equal to 0.625% of the sum of the Capital Commitments from all of the Limited Partners (subject to reduction as a result of the ALP Fee Savings) as of the first day of each such Fiscal Quarter (or portion thereof). Beginning with the first full Fiscal Quarter following the fifth anniversary of the Initial Contribution Date, the annual management fee percentage shall be reduced by 0.25% per year (i.e., the annual management fee percentage shall decrease from 2.50% of the Capital Commitments of all Limited Partners to 2.25%, to 2.00%, and so on) but shall not be reduced below 1.50% (subject to reduction as a result of the ALP Fee Savings).

Distributions to investors in the Token Fund are also subject to carried interest (after return of capital) payable to BITKRAFT, and/or its affiliates. (see also Item 6-Performance-Based Fees and Side-By-

Side Management).

Expenses of the Funds

Investors in each Fund, by virtue of their investment therein, generally bear all expenses related to the organization of, and the offering and sale of interests in, such Fund (which may include, without limitation, legal fees, accounting fees and various filing fees) as well as all expenses related to such BITKRAFT Fund's investment activities and ongoing operations (which may include without limitation, diligence costs related to the identification of potential investments (whether or not such investments are consummated)), legal (including diligence, drafting, and negotiation expenses), custody fees, accounting and tax preparation fees, consulting fees, travel and other costs and expenses incurred in connection with the acquisition, management or disposition of investments, insurance costs and litigation and marketing and publicity and other extraordinary expenses. Notwithstanding the foregoing, investors in each BITKRAFT Fund generally do not bear the costs of compensation of BITKRAFT's personnel and certain other general overhead expenses of BITKRAFT. A more specific description of the types of fees and expenses borne by a BITKRAFT Fund may be found in the offering and governing documents of the applicable BITKRAFT Fund.

Investors and prospective investors in any BITKRAFT Fund should review the offering and governing documents for such BITKRAFT Fund carefully before investing.

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

The Investment Advisers Act of 1940, as amended (the "Advisers Act"), restricts the payment of performance-based fees to investment advisers registered under the Advisers Act. However, SEC Rule 205-3 permits the payment of performance-based compensation to registered investment advisers provided that the clients (including investors in investment vehicles such as the BITKRAFT Funds) meet certain financial qualifications.

The General Partner to each Fund is generally entitled to receive a carried interest (also known as a "performance-based fee") that would otherwise be available for distribution to such Fund's limited partners. The carried interest received by the general partners conforms with the requirements set forth in Rule 205-3. The precise amount of, and the manner and calculation of, the carried interest for each Fund and managed account is disclosed in its organizational and offering documents, as previously stated.

The payment by Funds of carried interest at differing rates may create an incentive for BITKRAFT to disproportionately allocate time, services or functions to the Funds paying carried interest at a higher rate. To mitigate this risk, the Firm has adopted policies and procedures that address potential conflicts of interest that may arise between the Firm's management of different Funds, such as conflicts relating to the allocation of investment opportunities. Specifically, the Firm's policy is to offer all investment opportunities to the Funds on a pro rata basis, so that portfolio holdings, position sizes and industry and sector exposures tend to be similar across the Funds, subject to variations due to Fund guidelines.

Item 7. Types of Clients

BITKRAFT provides investment management services only to pooled investment vehicles. BITKRAFT may, in the future, provide investment advice to other funds (i.e., investment partnerships or other investment entities formed under domestic or foreign laws and operated as private funds exempted from the definition of investment company under the Investment Company Act of 1940, as amended).

BITKRAFT's current and prospective investors typically include individuals, banks or thrift institutions, other investment entities or other corporations or business entities and generally include, directly or indirectly, principals or other employees of BITKRAFT. BITKRAFT Funds are offered exclusively to "accredited investors" (as defined in Regulation D under the Securities Act of 1933) and "qualified purchasers" (as defined in Section 2(a)(51) of the Investment Company Act of 1940) or qualified knowledgeable BITKRAFT personnel. Prospective investors or advisory clients may be required to meet additional suitability requirements, and minimum investment commitments are generally established for investors. However, BITKRAFT has discretion to permit investments below the minimum amounts set forth in the offering documents of the respective and prospective funds.

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

BITKRAFT's investment strategy focuses on identifying strong operating businesses in the gaming, esports, and interactive media industries with a strong prospect for growth.

BITKRAFT Esports Ventures Fund I, L.P. and BITKRAFT Ventures Fund II, L.P.

The Venture Funds, target investment opportunities in Seed Round and Series A startup companies. The Venture Funds seek early-stage exposure in companies focused on content, interactive platforms, horizontal technologies, and applied game mechanics. BITKRAFT implements a rigorous due diligence process that leverages industry relationships and a portfolio of existing founders that serve as a strategic advantage. Founders of BITKRAFT's portfolio companies are serial entrepreneurs with a proven track record. BITKRAFT evaluates potential investments in companies with a unique moat and promising key performance indicators in growing markets. Furthermore, upon investment, BITKRAFT implements an active involvement approach in the advisory capacity, where they serve as true value-add partners.

BITKRAFT Ventures Opportunity Fund I, L.P.

The Opportunity Fund targets investment opportunities in follow-on investments sourced from the Venture Funds. The Opportunity Fund seeks to supplement the Venture Funds and provide increased exposure in companies as they enter the Series B and C rounds. The Opportunity Fund will only invest in the portfolio company when the pro rata or allocation opportunity is larger than what is appropriate in the Venture Funds. Additionally, the Opportunity Fund will also target very selective later stage opportunities in gaming, esports, and interactive media.

BITKRAFT Ventures Token Fund I, L.P.

The Token Fund targets investments in and holding cryptocurrencies, decentralized application tokens, app coins, protocol tokens, non-fungible tokens and other similar digital and crypto-finance instruments and assets, the ownership or transmission of which is recorded or verified by a distributed ledger (including a “blockchain” or directed acyclic graph) or other similar technology, and securities and instruments that are related to, derived from or convertible into or exchangeable for such assets or that represent interests in pools of such assets (“Digital Assets”) and securities of companies that operate in the crypto, blockchain, distributed ledger or similar technology industries, (b) investing in similar interests that are related to or derived from Digital Assets or that represent interests in pools of Digital Assets and (c) investing in and holding equity and equity-oriented securities of privately held companies that issue, or have businesses related to, Digital Assets. The Token Fund will invest in privately held, early-stage companies in the interactive media sector, including in particular the video game and “Esports” industries. Such companies typically have little or no revenues and are not profitable. They require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position.

GENERAL RISK FACTORS

Overall Investment Risk. All securities investments risk the loss of capital and there can be no assurance that the Funds will not incur losses (or that investors therein will not lose some or all of their invested capital). Additionally, as explained more fully in each Fund’s offering documents, the investment program of each Fund involves a substantial degree of risk.

Dependence on Key Personnel. The success of the Funds’ investment activities depends upon the experience and expertise of BITKRAFT personnel. Investors will have no right or power to participate in the management of a Fund. Accordingly, no investor should purchase any interest in a Fund unless it is willing to entrust all aspects of management of such Fund to BITKRAFT. Investors will be relying on the management expertise of BITKRAFT in identifying, acquiring, administering and disposing of investments by a Fund. In addition, if for any reason any of BITKRAFT’s principals should cease to be involved in the management of a Fund, suitable replacements may be difficult to obtain, with the result that the performance of a Fund may be adversely affected.

Competitive Market for Investment Opportunities. A Fund will be dependent upon the BITKRAFT principals to identify attractive investments. A Fund will need to compete to make investments with other investment funds with objectives similar to those of the Fund. The activity of identifying, completing and realizing on attractive investments involves a high degree of uncertainty. There can be no assurance that any Fund will be able to locate and complete attractive investments that fall within such Fund’s investment objective and strategy, or that each Fund will be able to invest fully their subscribed capital in a manner consistent with its investment strategy.

Illiquid Investments. The portfolio companies in which a Fund invests will be comparatively small companies which have no readily available market information for their securities, including a Fund’s investment. A Fund typically will be dependent upon the portfolio company being sold, refinanced, reorganized or having a public offering in order to achieve liquidity for such Fund’s investment.

Limited Transferability. There is not expected to be a public market for the interests of a Fund. There will be substantial restrictions on transferring such interests, including Federal and State securities laws.

Difficulty of Locating and Exiting Suitable Investments; Management Fee Due. The activity of identifying, completing, and realizing attractive investments is difficult and involves a high degree of uncertainty. There can be no assurance that a Fund will be able to locate, consummate, and exit investments that satisfy such Fund's objectives or realize upon their values, or that a Fund will be able to invest fully its committed capital. Investors will be required to pay a quarterly management fee which is based in part on the entire amount of their commitments to a Fund, and the payment of such fee is required even if a Fund has not made an investment or experiences net losses in a particular quarter.

Diverse Investor Group. Investors may have conflicting investment, tax, and other interests with respect to their investments in a Fund. The conflicting interests of individual investors may relate to or arise from, among other things, the strategic business of the investor, the taxable or tax- exempt status of the investor, the jurisdiction of organization of non-individual investors, the nature of investments made by a Fund, the structuring or the acquisition of investments, and the timing of disposition of investments. In selecting and structuring investments appropriate for a Fund, and otherwise while acting in its capacity as general partner of a Fund, BITKRAFT will consider the investment and tax objectives of a Fund as a whole, and not the investment, tax, or other objectives of any investor individually.

Defaults by Investors May Affect a Fund. If one or more investor fails to pay an installment of their commitment to a Fund when due, such Fund may be forced to call additional capital from non-defaulting investors. In addition, the default may mean that a Fund's available funds are inadequate to enable such Fund to make investments, pay expenses, and otherwise satisfy its liabilities and obligations.

Other Activities of Principals. The investment professionals of BITKRAFT will devote enough of their business time necessary for the operation of the Funds. They are not, however, prohibited from (i) participating in pre-existing business ventures, commitments or engagements or in other business ventures that do not interfere with their responsibilities to the Funds, or (ii) taking part in civic, community, or charitable endeavors. These activities are not expected to consume amounts of time which would interfere with the operations of the Funds in any material way. There are no guarantees, however, that circumstances will not arise in connection with these activities that could require significant time and attention from the investment professionals of BITKRAFT.

General Economic and Other Conditions. The business of the Funds and the portfolio companies may be adversely affected from time to time by such matters as: (i) changes in general economic, industrial, political, and international conditions; (ii) acts of war, terrorism, or international boycott; (iii) changes in taxes and prices of raw materials and components; and (iv) other factors of a general nature that are beyond the control of the Funds or the portfolio companies.

Legal and Regulatory Risks. Legal and regulatory changes could occur during the term of each BITKRAFT Fund that may adversely affect such BITKRAFT Fund.

Cybersecurity. The operations of BITKRAFT and the Funds are dependent on technology information and communication systems. A failure of any such system or a security breach or cyber-attack could significantly disrupt BITKRAFT's operations and those of the Funds. The service

providers of BITKRAFT and the Funds are subject to similar cyber-security threats. If a service provider fails to adopt, implement or adhere to adequate cyber-security measures, or in the event of a breach of its networks, information relating to the Funds, the Funds' operations and personal information relating to shareholders may be lost, damaged, corrupted or improperly accessed, used or disclosed.

Any system failure, security breach or cyber-attack on BITKRAFT or the Funds, or any of their service providers, could cause BITKRAFT and/or the Funds to suffer, among other things, financial loss, disruption to its business, including its trading capabilities and the ability of the Funds to transmit payments, including to investors, increased operating costs, liability to third parties, regulatory intervention and reputational damage and could have a material adverse effect on the Funds and investors' investments in the Funds.

Pandemic Risk. Disease outbreaks that affect local economies or the global economy may materially and adversely impact our investment portfolios and/or our business. These types of outbreaks have the potential to cause severe decreases in core business activities such as manufacturing, purchasing, tourism, business conferences and workplace participation, among others. These disruptions also have the potential to lead to instability in the marketplace, including market losses and overall volatility. In the face of such instability, governments may take extreme and unpredictable measures to combat the spread of disease and mitigate the resulting market disruptions and losses. In the event of a pandemic or an outbreak, there can be no assurance that we or our service providers will be able to maintain normal business operations for an extended period of time or will be able to retain the services of key personnel on a temporary or long-term basis due to illness or other reasons. The full impact of a pandemic or disease outbreaks is unknown, which could result in a high degree of uncertainty for potentially extended periods of time.

Digital Asset Investment. Digital Assets are loosely regulated and there is no central marketplace for currency exchange. Supply is determined by a computer code or other action, not by a central bank, and prices have been extremely volatile. Digital Asset exchanges have been closed due to fraud, failure or security breaches. Any of the Fund's funds that reside on an exchange that shuts down may be lost. 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, overall market sentiment or future regulatory measures 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.

Custody of Digital Assets. The General Partner of the Token Fund will be responsible for arranging for custody of the Digital Assets, including by storage in one or more "cold wallets" and/or on various Digital Asset exchanges. Corruption or loss of the General Partner's, a Digital Asset exchange's and/or a third-party custodian's data may result in partial or total loss of private keys for the Fund's Digital Assets. Digital Asset exchanges may require the General Partner to provide control of applicable private keys when such exchanges are utilized by the Fund. The General Partner will take such reasonable steps as it determines are necessary to maintain access to these keys and to prevent their exposure to hacking, malware and general security threats, but there can be no assurance that such steps will be adequate to protect such keys or the Fund's Digital Assets from such threats or that

there will be no failure or penetration of the applicable security systems. There also can be no assurance that, to the extent the Fund utilizes third-party custodial services, such third parties maintain required certifications with the SEC or other regulatory agencies, the loss of which could cause such custodians to not be deemed qualified custodians by various regulatory agencies. Additionally, as this is an evolving space, it will be difficult to judge best practice among such custodians and there can be no guarantees of proper custody.

Trading on Digital Asset 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 the Fund’s digital wallets and the loss of the Fund’s Digital Assets. Many Digital Asset exchanges have been closed due to fraud, failure or security breaches.

Certain Risks Relating to “Forks”. Digital Assets such as Bitcoin and Ethereum are open source blockchain protocols. If less than a substantial majority of users and miners consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a “fork” of the impacted blockchain protocol network and respective blockchain, with one prong running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two parallel versions of such blockchain protocol network, running simultaneously, but with each split network’s crypto asset lacking interchangeability. Forks can lead to a disruption of networks; new security concerns, flaws and risks (such as “replay attacks” or an inherent decrease in the level of security due to the splitting of some mining power across networks) and other weaknesses or problems that may cause temporary or permanent loss of, or have other adverse effects on, the Fund’s Digital Assets or the Fund’s ability to operate in respect of such Digital Assets.

Digital Asset Exchanges Operating Outside of the U.S. Digital asset exchanges generally operate outside of the United States. The Fund may have difficulty in successfully pursuing claims in the courts of such countries or enforcing in the courts of such countries a judgment obtained by the Fund in another country. In general, certain less developed countries lack fully developed legal systems and bodies of commercial law and practices normally found in countries with more developed market economies. These legal and regulatory risks may adversely affect the Fund and their operations and investments.

Tokenized Fundraise. The Fund may invest, directly or indirectly, in or by way of initial coin offerings, initial exchange offerings, security token offerings and other novel cryptocurrency fundraising and distribution methods and campaigns (collectively, “Tokenized Fundraises”). Tokenized Fundraises may 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, other cryptocurrencies or other assets on a Digital Asset exchange. Prior to such Tokenized Fundraises, blockchain-based companies may offer presale tokens or similar 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. The Fund may

invest in all stages, including presale rounds, of Tokenized Fundraises and in both registered and unregistered Tokenized Fundraises. Tokenized Fundraises (and token presales and other similar, related or appurtenant activities) may be unregulated and/or subject to multiple regulatory schemes. Tokenized Fundraises may be subject to fraud, security breaches, regulatory developments, enforcement actions, and technological developments.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of all the risks involved in an investment in any BITKRAFT Fund. Investors should refer to the offering and governing documents of each Fund for more detailed discussion of the investment analysis, strategies and risks of loss specific to such BITKRAFT Fund.

Item 9. Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of BITKRAFT or the integrity of BITKRAFT's management. As of the date hereof BITKRAFT knows of no legal or disciplinary events that would be material to your evaluation of BITKRAFT or the integrity of BITKRAFT's management.

Item 10. Other Financial Industry Activities and Affiliations

BITKRAFT Ventures Management, LLC, operates as a single advisory investment management company together with its affiliates, BITKRAFT Esports Partners I, L.P., the general partner of BITKRAFT Esports Ventures Fund I, L.P.; BITKRAFT Ventures GP II, LLC, the general partner of BITKRAFT Ventures Fund II, L.P.; BITKRAFT Ventures Opportunity GPI, LLC, the general partner of BITKRAFT Ventures Opportunity Fund I, L.P.; BITKRAFT Ventures Token GP I, LLC, the general partner of BITKRAFT Ventures Token Fund I, L.P.; BIT SPEC OPS BBS MM, LLC; and BIT SPEC OPS IMT MM, LLC .

BITKRAFT Esports Partners I, L.P., also serves as the Managing Member of BITKRAFT VM LLC, a Delaware limited liability company, serving as a Special Purpose Vehicle ("SPV") for the purpose of a venture capital investment and hold the securities of a determined Portfolio Company. Distributions to investors in the SPV are subject to a carried interest (after return of capital and a preferred return) payable to the Managing Member. . The SPV has not entered into an advisory agreement with the Adviser, nor does the Adviser receive any compensation from BITKRAFT VM, LLC.

BITKRAFT Ventures GP II, LLC serves as the Managing Member of BITKRAFT Wagr, LLC, a Delaware limited liability companies, serving as a SPV for the purpose of a venture capital investment and hold the securities of determined Portfolio Company. Distributions to investors in the SPV are subject to a carried interest (after return of capital and a preferred return) payable to the Managing Member. The SPV has not entered into an advisory agreement with the Adviser, nor does the Adviser receive any compensation from the SPV.

BIT SPEC OPS BBS MM, LLC serves as the Managing Member of BIT SPEC OPS BBS, LLC, a Delaware limited liability company, serving as a SPV for the purpose of a venture capital investment and hold the securities of a determined Portfolio Company via an indirect investment in a holding vehicle. The SPV has not entered into an advisory agreement with the Adviser, nor does the Adviser receive any compensation from the SPV.

BIT SPEC OPS IMT MM, LLC serves as the Managing Member of BIT SPEC OPS IMT, LLC, a Delaware limited liability company, serving as a SPV for the purpose of a venture capital investment and hold the securities of a determined Portfolio Company. The SPV has not entered into an advisory agreement with the Adviser, nor does the Adviser receive any compensation from the SPV.

Neither BITKRAFT nor any of its personnel are registered as a Futures Commission Merchant, Commodity Pool Operator or a Commodity Trading Adviser.

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

BITKRAFT has adopted a Code of Ethics that complies with Rule 204A-1 the Investment Advisers Act of 1940 (the “Advisers Act”) and sets forth standards and requirements for appropriate and ethical business conduct including, without limitation, a prohibition on the improper use of material non-public information in connection with securities transactions. The Code of Ethics applies to all of BITKRAFT’s employees, officers, and partners or other persons (hereinafter “Covered Persons”) as determined by Firm’s Chief Compliance Officer (“CCO”). It is the responsibility of each Covered Person to immediately report to the Firm’s CCO, any known or suspected violations of the Code, the Compliance Manual and the policies and procedures contained therein, or of any other activity of any Covered Person or consultant that could constitute a violation of law.

Access Persons are required to complete a number of reporting elements pursuant to the Code: initial holdings reporting; annual holdings reporting; and quarterly Code of Ethics reporting. In addition, Access Persons are also required to provide quarterly certifications as to gifts and entertainment, political contributions and outside business activities. All Access Persons must complete the acknowledgement of having received, read and understood the Code contained within the Initial and Annual Holdings Report and must renew that acknowledgment on a yearly basis.

BITKRAFT and its Covered Persons must seek to avoid situations which may result in potential or actual conflicts of interest with these duties. In the event that any such potential or actual conflicts of interest should arise, they shall be disclosed in a manner consistent with applicable statutory and regulatory requirements.

In some circumstances, BITKRAFT personnel are permitted to invest in the same securities as clients, and in such cases, there is the possibility that employees might benefit from market activity in a security also held by a client. For this reason, employee trading is continually monitored under the Code of Ethics.

Item 12. Brokerage Practices

BITKRAFT does not purchase investments through a broker-dealer. In the event that an investment requires BITKRAFT to utilize a broker-dealer, BITKRAFT shall seek to obtain best execution. The Firm has also adopted policies and procedures designed to ensure that it will seek to obtain best execution and that the selection of broker-dealers would be handled appropriately in the event that a broker-dealer is used.

BITKRAFT does not receive research or other products or services from a broker-dealer or any other third-party. BITKRAFT currently does not enter into soft dollar arrangements with broker-dealers or otherwise receive soft dollar benefits.

BITKRAFT does not purchase investments through a broker-dealer. Accordingly, BITKRAFT does not receive referrals from broker-dealers or third parties in exchange for brokerage.

BITKRAFT does not execute any Client trades and is not a party to any directed brokerage arrangements. Because BITKRAFT does not purchase investments through a broker-dealer, BITKRAFT does not recommend, request or require that a client enter into a directed brokerage arrangement.

BITKRAFT does not aggregate client orders. However, the Firm has adopted policies and procedures governing block trading in the event that the Firm does decide to execute client transactions with broker-dealers.

Item 13. Review of Accounts

BITKRAFT's investment professionals review the Funds' holdings on an ongoing basis, both informally and formally through meetings. Investment Committee members review portfolio investments, including performance, material developments and other significant matters that could reasonably have a material effect on a portfolio investment. Because the investments made by the Funds are generally private, illiquid and long-term in nature, the review process is not directed toward a short-term decision to dispose of investments. In addition, BITKRAFT's investment professionals closely monitor and review the valuations of all Fund portfolio investments. BITKRAFT furnishes audited financial statements for the Funds to all investors on an annual basis. Additionally, BITKRAFT distributes quarterly and annual performance update reports on all portfolio companies and fund activity. The Funds' financial statements are audited annually by independent certified public accountants registered with the Public Company Accounting Oversight Board.

Item 14. Client Referrals and Other Compensation

BITKRAFT has engaged with certain third-party placement agents to secure investors for their Funds. If a prospective investor in any fund was introduced to BITKRAFT by a placement agent, BITKRAFT will pay such placement agent a referral fee. To the extent it does so, BITKRAFT will comply with Rule 206(4)-3 under the Advisers Act, including, without limitation, by ensuring that any such direct advisory client is advised of the relevant solicitation and compensation arrangements.

BITKRAFT does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to its clients.

Item 15. Custody

Certain Fund assets are held in custody by unaffiliated broker/dealers or banks. BITKRAFT is considered to have custody of the Funds' assets because BITKRAFT is affiliated with the general partner of each Fund, which has authority over the Funds' assets.

In the case of the digital assets or Tokens, BITKRAFT uses a qualified, insured, cold-storage custody service of BitGo Trust Company, a regulated Trust Company under the Division of Banking in South Dakota. As soon as possible, the assets are held in cold storage which are held in segregated accounts, insured and secured by multi-signature security. BitGo is regularly audited by a governing body and required to meet rigorous standards for capitalization, anti-money laundering procedures, confidentiality, auditing, reporting and storage.

Fund investors will not receive statements from the custodian. Instead, the Funds are subject to an annual audit by independent certified public accountants. The audited financial statements are prepared in accordance with U.S. generally accepted accounting principles and distributed to Fund investors within 120 days of the Funds' fiscal year end.

Item 16. Investment Discretion

The investment objectives, policies, guidelines and restrictions of each Fund are set forth in the organizational and offering documents of such Fund, BITKRAFT has discretionary authority to determine the type, amount and price of securities and investments to be bought and sold on behalf of each Fund.

Item 17. Voting Client Securities

BITKRAFT has the authority to vote the proxies received on securities held by the Funds as well as other votes solicited for corporate actions affecting portfolio holdings. BITKRAFT's objective is to vote proxies in the best interests of the Funds as mandated by the Funds' objectives described in the private placement memoranda. The Firm's investment professionals monitor and opine on proxy proposals. In consultation with senior management, investment professionals will consider whether

BITKRAFT is subject to any material conflict of interest in connection with each proxy vote. Investment professionals must notify BITKRAFT's Chief Compliance Officer if they are aware of any material conflict of interest associated with a proxy vote. Potential conflicts will be assessed on a case-by-case basis. BITKRAFT may abstain from voting if it deems that abstinence is in the Funds' best interests. Current investors may request a copy of BITKRAFT's full proxy voting policies and procedures and the voting records as provided by Rule 206(4)-6. Please contact at (650) 690-1968 or martin@bitkraft.vc.

Item 18. Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about its financial condition. BITKRAFT does not have any financial hardships or other conditions that might impair its ability to meet its contractual and fiduciary obligations to its Clients. BITKRAFT has not been the subject of a bankruptcy proceeding.