

Item 1 Cover Page

XMonetae Capital LLC Part 2A of Form ADV The Brochure

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This brochure provides information about the qualifications and business practices of XMonetae Capital LLC. If you have any questions about the contents of this brochure, please contact us at 347-630-2408. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about XMonetae Capital LLC is also available on the SEC's website at: www.adviserinfo.sec.gov.

Item 2 Material Changes

As of March 31, 2022, XMonetae Capital LLC is submitting its annual amendment to the Brochure. There have been no material changes to XMonetae Capital LLC since its initial filing on October 4, 2021.

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Item 4 Advisory Business

XMonetae Capital LLC (“XM” or “Investment Manager”) is a quantitative investment management company founded in 2018 and owned by Julian Marchese. XM provides investment advisory services to multiple private investment funds and separately managed accounts. XM’s investment advisory services includes advice on investments in cryptocurrencies, such as, Bitcoin and Ether, as well as futures contracts on those cryptocurrencies, which is described more fully below in *Item 8 Methods of Analysis and Investment Strategies and Risk of Loss*. XM’s strategy employs trading methodologies to profit from commonplace statistical pricing inefficiencies and from wide- ranging and unusual market events.

XM is a Delaware limited liability corporation, which is the Investment Manager to investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). XM is currently the Investment Manager to the XMonetae Capital Master Fund Ltd. (“Master Fund”), and its feeder funds, XMonetae Capital Offshore Feeder Fund Ltd., and the XMonetae Capital US Feeder Fund LP. (the “US Feeder Fund”) (each a “Fund” and collectively the “Funds”). XM provides investment management services to the Funds in accordance with the constituent fund documents. Investment advice is provided directly to the Funds, and as applicable, subject to the discretion and control of the US Feeder Fund’s General Partner (“General Partner”), and not individually to the investors in a Fund. Investment restrictions for the Funds, if any, are established in the constituent documents of such Funds or side letter agreements negotiated with investors in such Funds.

XM also provides investment advisory services to Clients via separately managed accounts (“SMAs”), which invest in XM’s cryptocurrencies strategy. XM will exercise discretionary portfolio management of the SMAs pursuant to a written Separately Managed Account Agreement (“SMAA”) entered into with each Client.

As of December 31, 2021, XM managed \$47,800,000 on a discretionary basis on behalf of the Funds. The SMAs are not included in XM’s regulatory assets under management as they are not securities portfolios, but XM does consider the SMAs as assets under advisement. XM does not provide nondiscretionary services.

Item 5 Fees and Compensation

Fees

XM is entitled to receive a management fee (the “Management Fee”) in consideration of the management and administrative services provided to the Funds. The Management Fee is payable monthly in arrears and is equal to 0.5% on an annualized basis for Class A and Class B interests of each investor’s capital account, on the first calendar day of each month. The Investment Manager reserves the right not to charge a Management fee to the General Partner or any investor affiliated with the General Partner. The General Partner or XM in its discretion may waive or reduce the Management Fee chargeable to any investor. If XM is not acting as Investment Manager for an entire month, the Management Fee will be prorated for such partial month. The Investment Manager or General Partner is also entitled to receive an incentive fee (the “Incentive Allocation”) as described below in *Item 6*

Performance Based Fees and Side-by-Side Management.

For SMAs the Management Fee is separately negotiated between XM and each Client and can vary. XM is also entitled to Incentive Allocation for SMAs as long as Clients meet the definition of a “qualified client” under the Investment Advisers Act of 1940 (as amended, the “Advisers Act”). Incentive Allocations are also separately negotiated with each Client and are further described below in *Item 6 Performance Based Fees and Side-by-Side Management*. XM in its discretion may waive or reduce the Management Fee chargeable to any SMA Client.

Expenses

The Funds shall bear all operating expenses and other costs of the Funds including, but not limited to: (i) accounting, bookkeeping, tax and auditing fees and expenses (including the allocable share of the costs, fees and expenses relating to internal accounting and tax preparation functions); (ii) legal fees and expenses, including, but not limited to, fees and expenses incurred in connection with this constituent fund documents, any offering the Funds, contracts and investments; (iii) all fees and disbursements of the Funds’, the General Partner’s and the Investment Manager’s attorneys, consultants and other third parties performing work benefiting the Funds or otherwise in connection with the Funds’ investment activities (including, without limitation, the legal and other fees, costs and expenses of such parties in or related to any proxy contest or other shareholder initiative or proceeding and in any threatened or actual litigation or governmental investigation or proceeding, and the amount of any judgments or settlements paid in connection with such proxy contest, shareholder initiative or litigation, or fines or penalties levied as a result of any such investigation or proceeding); (iv) insurance and bonding costs; (v) all trading expenses and transaction costs, including, but not limited to, brokerage commissions and expenses relating to short sales, clearing and settlement charges, interest on loans and debit balances, margin interest, broker service fees and other clearing and custodial expenses; (vi) fees or assessments in connection with any regulatory registrations, qualifications and/or approvals of the Funds, the General Partner or the Investment Manager, and related compliance fees and expenses, deemed appropriate by the General Partner or the Investment Manager; (vii) such research and portfolio management expenses as the General Partner or XM deems appropriate, which may include, but are not limited to, expenses incurred in connection with due diligence investigations or research as to investments or potential investments, including travel, lodging and other expenses incurred in connection with visits to companies, meetings, research symposiums and communications with company management, security holders, analysts and other third parties, costs of research reports, data feeds and databases, news wires and quotation services, periodical subscription fees and costs of software (including risk control) utilized by the General Partner or XM in connection with managing the Funds’ portfolio; (viii) fees of the Funds’ registered agent; (ix) fees of the Funds’ Administrator; (x) the cost of preparation and distribution of reports and statements to investors; (xi) all filing and recording fees; (xii) all custodial fees, bank service fees, and fees or expenses associated with insuring the Funds’ assets; (xiii) the Management Fee; (xiv) all applicable federal, state, local and foreign taxes payable by the Funds; and (xv) any extraordinary expenses, such as indemnification and litigation expenses. Notwithstanding the foregoing, any expense relating specifically to a side pocket account shall be charged against the capital accounts of the investors participating in such side pocket account in proportion to their respective interests in such side pocket account.

Expenses incurred in the organization of the Funds will be borne or reimbursed by the Funds. For financial reporting purposes, organizational expenses will be amortized by the Funds during its first

60 months of operations. Amortization of such expenses over a period that is up to 60 months is a divergence from U.S. generally accepted accounting principles, which may, in certain circumstances, result in a qualification of the Funds' annual audited financial statements. In such instances, the General Partner or XM may make modifications to its accounting practices in order to eliminate such qualifications.

Furthermore, the General Partner and/or the Investment Manager reserve the exclusive right, in their sole discretion, to pay for all or a portion of Fund expenses and to not seek reimbursement therefor from the Funds.

Except as otherwise set forth in the SMAA, SMA Clients generally bear the expenses relating to their account including, but are not limited to, trading expenses, brokerage commissions and other transaction charges, fees and expenses incurred in the borrowing and lending of assets, interest, margin expense and other financing charges charged to the account attributable to the acquisition of assets by the SMA.

Item 6 Performance Based Fees and Side-by-Side Management

XM and/or its affiliates receive a performance-based fee in the form of an Incentive Allocation as noted above in *Item 5 Fees and Compensation* for the Funds and SMAs. For the Funds, the Incentive Allocation is paid at the Master Fund level but calculated from each investor's capital account for each fiscal quarter (or a shorter period, in the case of a withdrawal from the Funds other than at the end of a fiscal quarter).

XM's and the General Partner's Incentive Allocation with respect to Class A Interests will be a tiered Incentive Allocation amount subject to a minimum and tiered hurdle return described below (the "Hurdle") of the net profits allocated to such investor's applicable capital account for that fiscal quarter (or partial fiscal quarter), net of all expenses including the Investment Manager's Management Fees as described below.

Class A Incentive Allocation Tiers:

Capital Account Investment Return	Incentive Allocation Percentage
From 0% to 10%	No Incentive Allocation
From 10% to 20%	20% Incentive Allocation but only on the portion of profits in excess of 10% and up to a 20% return
More than 20%	50% Incentive Allocation but only on the portion of profits in excess of a 20% return

For the avoidance of doubt the Hurdle is not cumulative and any unachieved Hurdle does not carry over to any subsequent periods and the Hurdle tiers are annualized percentages that shall be calculated on a pro-rata basis for periods of less than a year.

XM's and the General Partner's Incentive Allocation with respect to Class B Interests will be an amount equal to thirty percent (30%) of the net profits allocated to such investor's applicable capital account for that fiscal quarter (or partial fiscal quarter), net of all expenses including the Investment Manager's Management Fees.

However, if an investor has any prior net losses allocated to him for any previous fiscal quarter, XM and the General Partner will not be allocated the Incentive Allocation from that investor for any subsequent fiscal quarter until such time as, and only to the extent that, the cumulative net profits allocated to such investor exceeds such prior allocated net losses.

XM and the General Partner is also entitled to receive a ratable allocation of net realized and unrealized profits or losses of the Funds based upon its capital account balance.

Under the Funds' constituent documents, XM or the General Partner in its discretion may waive or reduce the Incentive Allocation chargeable to any investor or reallocate any portion of its Incentive Allocation to any investor, without notice to or action by the investors; provided, however, that no such waiver or reduction may increase the amount thereof to be borne by any other investor.

Notwithstanding the foregoing, the Incentive Allocation with respect to certain investments held in side pocket accounts may be calculated based upon realized profits and losses.

For SMAs, XM and each Client will negotiate the Incentive Allocation, which will be memorialized in and paid pursuant to the SMAA.

Certain potential conflicts of interest exist associated with the presence of an Incentive Allocation. Such Incentive Allocation may create an incentive for XM to cause the Funds or SMAs to make investments that are riskier or more speculative than would be the case if there were not an Incentive Allocation. The Incentive Allocation may vary with respect to the Funds or share classes therein or SMAs, which may create an incentive to favor clients that pay a higher Incentive Allocation in the allocation of investment opportunities. However, XM advises each of the Funds in accordance with its investment strategy and any allocation restrictions set forth in each Fund's constituent fund documents so that investors in the Funds are aware of the applicable investment strategy, restrictions, and risks. Similarly, each SMA is managed in accordance with the investment strategy and restrictions noted in the SMAA. Additionally, XM has established policies and procedures designed to address potential conflicts of interest relating to the side-by-side management of the Funds and SMAs where Incentive Allocations compensation may vary, including the allocation of investments and opportunities. XM reviews the portfolio holdings of the Funds and each Client to determine whether any patterns exist that indicate improper allocation, or whether there is any other indication of impropriety.

Item 7 Types of Clients

As disclosed in *Item 4 Advisory Business*, XM's clients are the Funds or SMAs. Investors in the Funds must qualify as "accredited investors," (as defined in the Funds' subscription application materials) within the meaning of SEC Regulation D promulgated under the Securities Act as amended and Qualified Eligible Persons (as defined under Rule 4.7 promulgated under the Commodity Exchange Act, as amended). The minimum initial subscription amount required to invest in a Fund is \$250,000 and may be subject to waiver at the discretion of XM or the General Partner. For SMAs, generally the minimum account size is \$10 million. However, XM reserves the right to waive the minimum account size at its sole discretion.

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

Methods of Analysis

In managing the Funds and SMAs, XM will seek to use rigorous and controlled trading methodologies to profit from commonplace statistical pricing inefficiencies as well as a wide-range of unusual market events typically missed by investors because of their infrequent nature. A significant amount of the trading will be done using automated algorithms; however the XM will also be able to take discretionary trades. The majority of trading strategies employed will be short-term in nature with holding periods typically under a week, although longer-term trades may occur as well. The XM intends to target limited net exposure across major macro factors by employing relatively market-neutral trading strategies, though directional trades may also be taken in the context of a diversified strategy portfolio.

XM intends to use proprietary automated trading systems combined with trader discretion designed to capitalize on many diversified trading strategies, which include but are not limited to:

- 1) High Frequency Cross-Market & Liquidity Arbitrage / Market Making
- 2) Opportunistic Event-Driven
- 3) Short-Term Quantitative Alphas

Although a significant proportion of the execution of the Funds' and SMAs' investments are currently expected to be done through algorithms and the automated trading systems, XM may exercise discretion in the execution of certain orders in an attempt to improve execution results and/or to achieve other specified objectives. Accordingly, XM may at times also employ certain non-systematic investment strategies in order to, among other things, manage certain risks or take advantage of perceived or predicted events or market conditions. XM may also employ models that focus more on fundamental analysis and research conducted by analysts (rather than computer-based quantitative and technical analysis) and models that combine two or more types of analysis in varying degrees. Any such fundamental analysis and research may be generated by external investment professionals, data vendors, market participants and/or other consultants to XM and to be augmented from time to time by XM. XM may apply systematic mathematical formulas to such analysis and research, or, in the alternative, may use such analysis and research alone, without further quantitative analysis to assist in XM's investment decision making process.

Investment Strategies

XM has one investment program as noted above in *Item 4 Advisory Business*, the XMonetae Capital Crypto Alpha Program (“XCCAP”). XCCAP seeks to generate high risk-adjusted returns that have little to no correlation to crypto or traditional asset classes. XM applies traditional market-neutral hedge fund strategies to a nascent and fragmented cryptocurrency market.

Strategies employed include: Cross-Exchange Arbitrage, Curve Arbitrage, Quantitative Alphas, and Market Making. XM adheres to a “Man + Machine” investment philosophy, employing a combination of rigorous quantitative research and intuitive discretionary risk management to assemble and manage XCCAP’s optimal mix of trading strategies.

Risk of Loss

An investment in the Funds or SMAs involves significant risks. There is no assurance that the Funds or SMAs will achieve their investment objectives or that they will not incur losses or be profitable. The risks noted herein are representative of the current risks or future potential risks associated with the XCCAP strategy.

Investors in the Funds are encouraged to consult the Funds’ constituent documents for a full list of risk factors related to the Funds.

General Risk Factors

General Investment Risk. Investments will consist of securities identified by the Investment Manager’s methodology. Since such strategy involves identifying securities which are generally undervalued (or, in the case of short positions, overvalued) by the marketplace, success of such strategy necessarily depends upon the market eventually recognizing such value in the price of the security, which may not necessarily occur. Positions may undergo significant short term declines and experience considerable price volatility. Since the methodology does not require any minimum market capitalization, the Funds and SMAs may take positions in smaller capitalization companies or other issuers which may involve an increased level of general investment risk.

Equity positions may include speculative securities. Accordingly, investors and Clients must be prepared to assume the risks inherent in such speculative investments. An investment in the strategies should not be regarded as a complete investment program and should be considered solely by investors and Clients prepared to experience possible short term volatility and fluctuations in value in the interest of seeking superior long-term capital appreciation.

Dependence on Key Manager. Client portfolios are dependent on the continued service and active efforts of its key employees, including Julian Marchese. If the services of any such key employees with the Investment Manager were to discontinue or lapse for any reason, client portfolios likely would be adversely affected.

Pandemic Risk. In December 2019, a new strain of coronavirus (also known as, and hereinafter referred to as “COVID-19”) originated in Wuhan, China, and quickly spread to infect many people in the city and surrounding area. In some cases, COVID-19 causes severe illness and even death. Since its discovery, COVID-19 has spread throughout China and to several other countries, significantly impacting their economies. Various measures are being taken by countries, including the United States, both on a macro country-wide level and a local level, to combat the virus and its spread. Some of these measures include quarantines, travel bans, bans on public events, bans on large public gatherings, closures of public venues (e.g., restaurants, concert halls, museums, theaters, schools and stadiums) or shelter-in-place orders. The World Health Organization publicly characterized COVID-19 as a pandemic. The President of the United States declared the COVID-19 outbreak a national emergency. The U.S. Center for Disease Control has stated a risk exists of a pandemic in the United States. In addition, mutations to COVID-19 occur, which can make containment even more difficult. In such situations, the effect on the economy and on the public will likely be severe. There are no comparable recent events in the United States which may provide guidance as to the effect of the spread of COVID-19 and a potential pandemic on the business, financial condition and results of operations of the Funds’ or SMAs’ portfolios. Therefore, there is considerable uncertainty of COVID-19’s potential effect on the Funds and SMAs and their portfolios, which could have a material adverse effect on investments and on the business, financial condition and results of operations of the Funds’ and SMAs’ assets.

Cyber Security Risk: XM and its Client’s information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, other security breaches and / or usage errors by their respective professionals. Although XM has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, XM may have to make a significant investment to fix or replace them. The failure of these systems for any reason could cause significant interruptions in XM’s 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). Such a failure could harm XM’s and its Clients reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Equity Risks. XM may invest in equity and equity derivative securities, including exchange traded funds and index based products. The value of these securities generally will vary with the performance of the issuer and movements in the equity markets. As a result, the Funds and SMAs may suffer losses if it invests in equity securities of issuers whose performance diverges from the Investment Manager’s expectations or if equity markets generally move in a single direction and the Funds and SMAs have not hedged against such a general move. To the extent the Funds and SMAs invests in equity derivatives and private placements activities, the Funds and SMAs will be exposed to risks that issuers will not fulfill their contractual obligations to the Funds and SMAs, such as delivering marketable common stocks upon conversions of convertible securities and registering restricted securities for public resale.

Concentration of Investments. The investment portfolios may, at times, be confined to the securities of relatively few issuers. Any concentration necessarily increases the degree of exposure to a variety of issuer-related, industry or market risks. By concentrating investments in a small number of large

security positions relative to investor or Client capital, a loss in any such position could materially reduce the Funds' or SMAs performance asset base, to the extent not offset by other gains.

Short Selling. Short selling is a part of the Investment Manager's investment strategy and may be utilized both in situations where XM believes the securities in question are overvalued, and therefore likely to experience significant price declines over time, or as a hedge or offset to related long positions. Short selling inherently involves certain additional risks. Selling securities short creates the risk of losing an amount greater than the initial investment in a relatively short period of time and the theoretically unlimited risk of an increase in the market price of the securities sold short. There is also the risk that the securities borrowed by the Funds or SMAs in connection with a short sale would need to be returned to the securities lender on short notice. If the request for return of securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the Funds and SMAs might be compelled, at the most disadvantageous time, to replace borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier. In addition, short selling can involve significant borrowing and other costs which can reduce the profit or create losses in particular positions.

There are other inherent difficulties and challenges in short selling. The general negative misperceptions about short-sellers may limit the Investment Manager's access to management of various issuers and impede its research efforts. Management and other stakeholders of issuers may take legal action against short-sellers to prevent or discourage the legal short sales of the issuer's securities to avoid depressing the value of its securities. XM, Funds, and SMAs could be subject to such private legal actions. The cost of, and management time committed to, defending any such action(s) could be substantial.

Price Volatility. Cryptocurrencies and stocks are inherently volatile. Such volatility may result in the value of the assets fluctuating from time-to-time more greatly than that of other investment vehicles which may be more diversified. There can be no assurance that the Investment Manager's investment strategies, including its hedging techniques, or other investment strategies or techniques, will be effective in protecting the Funds and SMAs from such price volatility.

Investments With Limited or No Liquidity. The Funds and SMAs may take significant positions in particular securities or investments, which are relatively large as compared to their trading volume or overall market capitalization. Such positions may at times prove more difficult to sell in a timely or efficient manner and could thus impair to some extent the Funds' and SMAs' ability to fully realize portfolio gains or limit losses. XM does not intend to generally limit investments to issues of any particular minimum capitalization and may, in fact, focus upon smaller capitalization stocks when such securities appear to afford greater appreciation potential. Such stocks often have less liquidity than large capitalization issues.

Valuation Risk. The net asset value of the Funds will be calculated by the Funds' Administrator based on prices obtained from XM and/or independent third-party sources including exchanges. The fair market value of those assets of the Funds, if any, for which third-party prices are not available, or with respect to which XM believes third-party pricing does not accurately reflect fair value, will be valued based on other sources deemed reliable by the Investment Manager, and may be based on internal valuation analysis, such as a discounted cash-flow valuation. In order to value the assets and liabilities of the Funds, XM or its designee may rely on information provided by

employees of XM or its affiliates or outside parties, and such persons may provide inaccurate, incomplete, outdated or otherwise unreliable information. In the case of employees of XM who receive compensation based on the performance of certain investments, such employees may be motivated to provide incorrect valuation information in order to receive increased compensation. XM may be unable to detect every error contained in the valuation information. To the extent the information received by the Funds is inaccurate or unreliable, the valuation of the Funds' assets and liabilities may be inaccurate. There is a risk that an investor that effects a withdrawal from the Funds may be paid an amount less or more than it would otherwise be paid if the actual value of such assets is higher or lower than the value calculated by the Funds' Administrator. In addition, there is a risk that additional contributions could dilute the underlying value of such assets for the other investors if the actual value of such assets is higher than the value calculated by the Funds' Administrator. There is also a risk that greater Management Fees and Incentive Allocations may be paid by the Funds than would have been paid if the actual value of such assets or liabilities is lower or higher than the value determined for the purposes of calculating those fees.

The General Partner and XM will not be liable to the Funds if a price reasonably believed by it/them to be an accurate valuation of a particular asset of the Funds is found to be misvalued and/or mispriced.

Options. The Funds and SMAs may utilize options in furtherance of its investment strategies primarily for hedging certain risks but also for speculative purposes. Options positions may include long positions, where the Funds and SMAs are the holder of put or call options, as well as short positions, where the Funds and SMAs are the seller (writer) of an option. Although option techniques can increase investment return, they can also involve a relatively higher level of risk. The writing (selling) of uncovered options involves a theoretically unlimited risk of a price increase or decline, as the case may be, in the underlying security. The expiration of unexercised long option positions effectively results in loss of the entire cost or premium paid for the option. Option premium costs, as well as the cost of covering options written by the Funds and SMAs, can reduce or eliminate position profits or create losses as well. The Funds' and SMAs' ability to close out its position as a purchaser of an exchange-listed option is dependent upon the existence of a liquid secondary market on option exchanges. On occasion the Funds and SMAs may also utilize options, particularly in foreign markets, which may have limited liquidity.

The seller ("writer") of a call option which is covered assumes the risk of a decline in the market price of the underlying security or other instrument below the purchase price of the underlying instrument, less the amount of premium received by the seller, and forgoes the opportunity for gain on the underlying instrument above the exercise price of the option. The buyer of a call option assumes the risk of losing its entire investment (the premium paid) in the call option. If the buyer of a call option sells short the underlying security or other instrument, a loss on the call option itself may be offset, in whole or in part, by any gain on the short sale of the underlying position.

The seller ("writer") of a put option which is covered assumes the risk of an increase in the market price of the underlying security or other instrument above the sales price (in establishing the short position) of the underlying instrument, plus the premium received by the seller, and forgoes the opportunity for gain on the underlying instrument below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment (the premium paid) in the put option. If the buyer of a put option holds a long position in the underlying security or other instrument, a loss on the put option itself may be offset, in whole or in part, by any gain on the underlying position.

Leverage; Interest Rates; Margin. As discussed above, XM expects to utilize leverage, on behalf of the Funds and/or SMAs, on a moderate basis, as XM considers appropriate, primarily for investment purposes to increase investment positions or to make additional investments. Leverage may be employed by means of conventional margin arrangements, or through options, swaps, forwards and other derivative instruments (*i.e.*, so called “synthetic” leverage).

While leverage (including the use of derivatives) presents opportunities for increasing the Funds’ and SMAs’ total return, it has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment, either directly or indirectly, could be magnified to the extent that leverage is employed. The effect of the use of leverage by the Funds and SMAs in a market that moves adversely to the investments of the entity employing the leverage, could result in a loss to the Funds and SMAs that would be greater than if leverage were not employed by the Funds and SMAs. In addition, to the extent that the Funds and SMAs borrows funds, the interest cost at which the Funds and SMAs can borrow will affect the operating results of the Funds.

The use of short-term margin borrowings by the Funds and SMAs may result in certain additional risks. For example, should the securities that are pledged to brokers to secure the Funds’ and SMAs’ margin accounts decline in value, or should brokers from which the Funds and SMAs has borrowed increase their maintenance margin requirements (*i.e.*, reduce the percentage of a position that can be financed), then the Funds and SMAs could be subject to a “margin call,” pursuant to which the Funds must either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. The broker will typically have the right to liquidate the Funds’ and SMAs’ portfolio in certain circumstances. In the event of a precipitous drop in the value of the assets of the Funds and SMAs, the Funds and SMAs might not be able to liquidate assets quickly enough to pay off the margin debt and might suffer mandatory liquidation of positions in a declining market at relatively low prices. Similar risks may arise in connection with longer-term borrowings and certain derivative transactions.

Derivatives. The derivatives markets are frequently characterized by limited liquidity, which can make it difficult as well as costly to close out open positions in order to either realize gains or to limit losses. Additionally, many derivatives are valued on the basis of dealers’ pricing of these instruments. However, the price at which dealers value a particular derivative and the price which the same dealers would actually be willing to pay for such derivative should the Funds and SMAs be required to sell such position, may be materially different. Such differences may have a materially adverse effect on the Funds and SMAs if it is required to sell derivative instruments in order to raise funds for margin purposes or to pay withdrawals.

The pricing relationships between derivatives and the underlying instruments on which they are based may not conform to anticipated or historical patterns, resulting in unanticipated losses.

The stability and liquidity of forwards, swaps, repurchase agreements, and other over-the-counter derivative transactions depend in large part on the creditworthiness of the parties to the transaction. If there is a default by the counterparty to a transaction, the Funds and SMAs may have contractual remedies pursuant to the agreements related to the transaction; however, exercising such contractual rights may involve delays or costs, or may not be successful, which could adversely affect the Funds and SMAs. It is possible that in the event of a counterparty credit default, the Funds and SMAs may not be able to recover all or a portion of its investment in such derivative instrument

and may be exposed to additional liability (*i.e.*, the obligations associated with what has become an unhedged position).

Foreign Investments. A portion of the Funds' and SMAs' assets may consist of foreign investments, which may include foreign or domestic equity securities denominated in foreign currencies and/or traded outside of the United States. Such investments require consideration of certain risks typically not associated with investing in U.S. securities or property. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavorable currency exchange rate fluctuations, imposition of exchange control regulation by the United States or foreign governments, United States and foreign withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalization of their industries, political difficulties, including expropriation of assets, confiscatory taxation and economic or political instability in foreign nations.

There may be less publicly available information about certain foreign companies than would be the case for comparable companies in the United States and certain foreign companies may not be subject to accounting, auditing and financial reporting standards and requirements comparable to or as uniform as those of United States companies. Securities markets outside the United States, while growing in volume, have for the most part substantially less volume than U.S. markets, and many securities traded on these foreign markets are less liquid and their prices more volatile than securities of comparable U.S. companies. In addition, settlement of trades in some non-U.S. markets is slower, less systematic and more subject to failure than in U.S. markets. There also may be less extensive regulation of the securities markets in countries other than the United States.

Transaction Execution and Costs; Brokerage Allocation. Although XM will seek to utilize brokerage firms which will afford superior execution capability to the Funds and SMAs, there is no assurance that all of the Funds' and SMAs' transactions will be executed with optimal quality. In addition to seeking broker-dealers with superior execution capability, XM may allocate transactions to brokers which agree to pay all or a part of certain research-related expenses of the Funds, SMAs, XM and/or its affiliates, or so-called "soft dollar" arrangements. Although XM will, in general, seek such arrangements only where it believes the same will be consistent with principles of best execution, such soft dollar arrangements may result in increased commission costs or other inefficiencies in execution. There can be no assurance that XM will be successful in seeking to reduce the expenses of the Funds and SMAs through satisfactory soft dollar arrangements or that such arrangements will not result in increased transaction costs or otherwise impact the Funds and SMAs.

Limitations on Shorting and Hedging Strategies. XM may employ certain hedging techniques. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of portfolio positions, or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the overall portfolio value. Such hedge transactions, however, also limit the opportunity for gain if the value of the portfolio position should increase. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio position being hedged may vary. Insufficient correlation between hedged and hedging positions may not only result in failing to protect the Funds and SMAs against the risks sought to be hedged but may actually increase the magnitude of overall loss in the event of losses in the hedging positions.

For a variety of reasons, XM may not seek or be able to establish a sufficiently accurate correlation between such hedging instruments and the portfolio holdings being hedged. Moreover, XM may not necessarily endeavor to hedge the Funds' and SMAs' portfolios whatsoever. In the event hedging is utilized, it will be employed, in general, solely as a technique to limit certain market risks. As a general matter, the Funds' and SMAs' portfolios will still be exposed to basic issuer risk and other risks attendant to its investment strategy and to particular positions, which risks will not be generally hedged.

Overall Investment Risk. All securities investments risk the loss of capital. The nature of the securities to be purchased and traded by the Funds and SMAs and the investment techniques and strategies to be employed by XM may increase this risk. Many unforeseeable events, including, but not limited to, actions by various government agencies and domestic and international economic and political developments, may cause sharp market fluctuations which could adversely affect the Funds and SMAs.

There can be no assurance that the investments or investment techniques employed by the Funds and SMAs will achieve the Funds' and SMAs' investment objectives or that the Funds and SMAs will ever be profitable. There can be no assurance that the Funds and SMAs will not incur losses.

Investment and Trading Risks

Lack of recognition. Cryptocurrencies are a digital asset with a monetary value but which is currently not recognized as an official currency anywhere in the world. Some retailers accept payment by cryptocurrencies for goods and services but most traders have not yet put systems in place (or are reluctant) to accept cryptocurrency transactions. For example, the People's Bank of China, the country's central bank, recently banned financial and payment institutions from providing or accepting bitcoins. The trading of cryptocurrencies is generally not currently regulated within the EU. Proposed new EU laws on payment services leave open the possibility of cryptocurrencies being regulated in the future. The significant fluctuation in value of cryptocurrencies is acting to constrain the widespread acceptance of the digital currency by online retailers, according to some commentators. The high volatility of its value is hindering its general acceptance as a means of payments for online commerce.

Limited or non-existent consumer/user rights. Currently, there are no specific regulatory protections in place that would protect consumers from financial losses if a platform that exchanges or holds virtual currencies fails or goes out of business. Such a situation could result in a total and complete loss of the consumer's store of value, with no right of recovery or recompense. Whilst consumers can require banks to refund and reverse transactions that they did not authorize, cryptocurrency transactions are inherently irreversible.

Limited liquidity of crypto currency. Crypto currencies are not legal tender in any jurisdiction. This means that crypto currencies may only be used in transactions with counterparties that are willing to accept crypto currencies or must be converted into legal tender. The value of the investments of the Funds and SMAs will be adversely affected to the extent the Funds and SMAs or their brokers are unable to locate a buyer or exchanger for the crypto currencies held by the Funds and SMAs.

No central repository. Transactions in crypto currencies are recorded and authenticated not by a central repository, but by a peer-to-peer network. While decentralization avoids certain common

threats to computer networks (e.g., denial of service attacks), the use of a peer-to-peer system relies on participants in the crypto currency network having greater numbers and computing power than coordinated attackers. This authentication strategy necessitates investment in substantial amounts of computing power, which in turn increases the burdens on participants in the crypto currency network to stay ahead of attackers. Prospective investors should be aware that, if and as the popularity of crypto currency increases, the burdens on participants in the crypto currency network (which are defrayed by transactional costs) can be expected to increase, reducing the value of the investments of the Funds and SMAs. Transactions in crypto currencies also provide a high degree of anonymity, meaning they may be misused for criminal activities, including money laundering. This misuse could lead law enforcement agencies to close exchange platforms at short notice and prevent consumers from accessing or retrieving any funds that the platforms may be holding for them.

No government backing. The fact that cryptocurrencies themselves may not subject to government regulation means that some of the protections that apply to other currencies do not apply to crypto currencies. For instance, no government can be expected to bolster the value of cryptocurrencies in case of a crash in the value of a crypto currency.

Future CFTC, SEC and Other Agency Regulation. Current and future legislation, CFTC and SEC rulemaking and other regulatory developments may impact the manner in which cryptocurrencies are treated for classification and clearing purposes. In particular, various cryptocurrencies may not be excluded from the definition of a “commodity future” or “security” by such future CFTC and SEC rulemaking, respectively. XM cannot be certain as to how future regulatory developments will impact the treatment of cryptocurrencies under the law. To the extent that cryptocurrencies 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, the Client, the General Partner, and XM may be required to register and comply with additional regulation under the Commodity Exchange Act. Moreover, the General Partner and XM may be subject to further requirements with the CFTC through the National Futures Association. Additionally, President Biden recently signed an Executive Order outlining the first ever, whole-of-government approach to addressing the risks and harnessing the potential benefits of digital assets and their underlying technology, which encourages regulators to ensure sufficient oversight and safeguard against any systemic financial risks posed by digital assets and to develop appropriate policy recommendations to address any regulatory gaps. Such additional registrations, disclosures or other regulatory requirements may result in extraordinary, non-recurring expenses of the General Partner, XM or the Clients. If the General Partner or XM determine not to comply with such additional regulatory and registration requirements, the Funds will terminate and liquidate at a time that may be disadvantageous to the investors. To the extent that cryptocurrencies are deemed to fall further within the definition of a security pursuant to subsequent rulemaking by the SEC, the Client, the General Partner, or XM may be required to register and comply with additional regulation under the Investment Company Act or similar state investment advisory statutes.

Regulatory Regime. Regulation of digital asset, digital asset offerings, cryptocurrencies, blockchain technologies and digital asset exchanges currently is underdeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. For example, various legislative and executive bodies in the United States and in other countries may in the future, adopt laws, regulations, guidance, or other actions, which may adversely impact the development and growth of the Clients’ investments. The

regulatory status of digital assets remains unclear or unsettled in many jurisdictions. Legislative and regulatory changes or actions at the local, state, federal, foreign, or international level may adversely affect the use, transfer, exchange, and value of digital assets. These legislative and regulatory changes or actions are difficult to predict and may adversely impact the digital assets owned by the Clients and the technology underlying such digital assets. Because there is not yet widespread understanding or adoption of blockchain technology, current regulations are, and future regulations may be, inexact and vague, or overly broad or burdensome, which may have a chilling effect on the further development of the industry. It may take significant resources to educate legislators and regulators, and even the lobbyists, regarding appropriate regulation of the blockchain industry. While the blockchain industry is growing, it does not have the lobbying power of more established industries, which may put it at a disadvantage when attempting to influence legislation and regulation.

Foreign Government Regulations on Cryptocurrencies. Various foreign jurisdictions are considering or have considered how to manage the use and exchange of digital assets. It is possible that any jurisdiction may, in the near or distant future, adopt laws, regulations, or policies directly or indirectly affecting digital assets generally, or restricting the right to acquire, own, hold, sell, convert, trade, or use digital assets, or to exchange digital assets for either fiat currency or other virtual currency. It is also possible that government authorities may claim ownership over various digital assets, including their source codes and protocols. Law enforcement agencies may take direct, or indirect investigative or prosecutorial action related to, among other things, the use, ownership or transfer of digital assets.

Storage. Virtual wallets are susceptible to theft by hackers and wallets stored on hard drives are susceptible to a hard drive crash or corruption. Offline storage, although considered to be safer, is less convenient for quick transactions. . The Clients use third party wallet providers to hold the Clients' investments in cryptocurrency. The Clients may have a high concentration of their cryptocurrency 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.

XM's information technology diligence on third party wallet providers, which includes an annual review of the providers' System and Organization Controls (SOC) reports and an annual re-evaluation of such providers and their information technology systems, may not identify all security vulnerabilities and risks associated with such providers. Certain third-party wallet providers may not indemnify the Clients against any losses of cryptocurrency. Cryptocurrency held by third parties could be transferred into "cold storage" or "deep storage," in which case there could be a delay in retrieving such cryptocurrency. The Clients may also incur costs related to third party storage. Any security breach, incurred cost or loss of cryptocurrency associated with the use of a third-party wallet provider, may adversely affect the Clients.

Virtual currency risks. Crypto currency is a peer-to-peer, decentralized, digital currency whose implementation relies on the principles of cryptography to validate the transactions and generation

of the currency itself. As such, the creation and usage of crypto currency is not regulated or licensed and is subject to high levels of volatility and market abuse. Crypto currency exists entirely in electronic form. Crypto currencies are held on personal hard drives or third-party servers, and as such are susceptible to all of the risks inherent in holding any electronic data, such as power failure, data corruption, security breach, communication failure and user error. As such, crypto currencies are subject to theft, destruction or loss of value from hackers, corruption or technology specific factors such as viruses that do not affect traditional currency, which is underwritten by central banks and monetary authorities. Further, there can be no assurance that the computer code underlying crypto currencies and their generation will not turn out to be flawed, resulting in unanticipated gluts of new crypto currencies or the corruption of existing holdings of crypto currencies.

Risks of Trading Futures. XM intends to invest the Funds' and SMAs' portfolios in various types of futures, including, without limitation, commodity futures. Trading futures is a highly risky strategy. Whenever XM purchases a particular future on behalf of the Funds and SMAs, there is a possibility that it may sustain a total loss of its purchase price. The prices of futures are, in general, much more volatile than the prices of securities, such as stocks and bonds; and, as a result, the risk of loss in trading futures is substantially greater than in trading those types of securities. The prices of futures react strongly to the prices of the underlying assets. The prices of these underlying products, in turn, rise and fall based on changes in interest rates, international balances of trade, changes in governments, wars, weather events and a host of other factors that are entirely beyond the Funds' control and that are very difficult (and perhaps impossible) to predict.

In addition, in entering into futures contracts, there is a credit risk that a counterparty will not be able to meet its obligations to the Funds and SMAs. Generally, the counterparty for futures contracts and options on futures contracts traded on the United States exchanges is the clearinghouse associated with such exchange. In general, clearinghouses are backed by the corporate members of the clearinghouse who are required to share any financial burden resulting from the non-performance by one of its members and, as such, should significantly reduce this credit risk. In cases where the clearinghouse is not backed by the clearinghouse members, it is normally backed by a consortium of banks or other financial institutions. There can be no assurance that any counterparty, clearinghouse members or any clearinghouse will be able to meet its obligations to the Funds and SMAs.

Futures Trading Is Volatile and Speculative. Futures markets are highly volatile. Futures contracts are influenced by, among other things, the following: changing supply and demand relationships and trends, governmental actions, agricultural and commercial trade programs and policies, national and international political events, national and international economic events, weather and other naturally occurring phenomena, and prevailing psychological characteristics of the marketplace. There is no assurance that XM will engage in profitable futures trades for the Funds and SMAs or that the Funds and SMAs will not incur substantial losses in connection with such futures trades.

Commodity Futures Markets May Be Illiquid. Most United States commodity exchanges limit fluctuations in commodity futures contract prices during a single day by regulations referred to as

“daily price fluctuation limits” or “daily limits”. During a single trading day, no trades may be executed at prices beyond the daily limit. Once the price of a futures contract for a particular commodity has increased or decreased by an amount equal to the daily limit, positions in the commodity can be either taken or liquidated unless traders are willing to effect trades at or within the limit. In the past, futures prices have moved the daily limit for several consecutive days with little or no trading. Similar occurrences could prevent XM from promptly liquidating unfavorable positions and could subject the Funds and SMAs to substantial losses, which could exceed the margin initially committed to such trades.

Volatility in value. The prices of crypto currencies have been subject to periods of excessive volatility in the recent past, and such periods can be expected to recur. Price movements may be influenced by many unpredictable factors, such as government regulation of crypto currencies and the persons and entities that transact in crypto currencies, market sentiment, inflation rates, interest rate movements, crises in government-backed currencies and general economic and political conditions. Such volatility may not only impact the value a Shareholder receives on redemption, but may also adversely affect the widespread adoption of crypto currencies as a currency, which in turn could adversely affect the value and liquidity of the investments of the partnership.

Concentration. The Funds’ and SMAs’ investment portfolios may be expected at times to be significantly concentrated as to issuer, as well as industry and sector. In the view of the Investment Manager, such concentration offers a greater potential for capital appreciation as well as increased risk of loss. Such concentration may also be expected to increase the volatility of the Funds’ and SMAs’ investment portfolios.

Holding Periods. In view of the Funds’ and SMAs’ investment strategies, the typical holding periods for the Funds’ and SMAs’ positions may vary substantially. Within XCCAP with anticipated holding periods for core positions ranging from several months to possibly as long as two years or more. In instances where investment criteria are not being met, positions (including core positions) may be liquidated earlier than originally anticipated. The Funds’ and SMAs’ portfolios turnover will reflect the foregoing.

Cash Positions. As a defensive strategy, or pending the identification of companies meeting the Investment Manager’s methodology, the Funds and SMAs may hold or invest in cash, U.S. government securities, commercial obligations, bankers’ acceptances, certificates of deposit, money-market instruments and other cash equivalents. Such holdings may be significant at certain times. Accordingly, the Funds and SMAs may not be fully invested at all times.

Other Investments. XM will be authorized to invest in all types of investments in furtherance of the Funds’ and SMAs’ investment strategies, including, but not limited to, those described above. Accordingly, such possible investments to be utilized by the Funds and SMAs will not necessarily be limited to those described herein.

Item 9 Disciplinary Information

XM and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

Item 10 Other Financial Industry Activities and Affiliations

XM is registered with the CFTC as a CPO and a CTA and serves in such capacities for the Funds. XM is also a member of the NFA. The Investment Manager avails itself of an exemption under CFTC Rule 4.7 with respect to the Funds, which provides disclosure, reporting and record-keeping relief. XM and its employees do not have any other relationships or arrangements with other financial services companies that pose material conflicts of interest.

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

Code of Ethics

XM maintains a written Code of Ethics that is applicable to all of its officers, directors, principals, members, and employees (collectively, "Employees"). 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.

Employees and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for the Funds or SMAs subject to the terms of the Code of Ethics. Under the Code of Ethics, Employees are required to file certain periodic reports with XM's Chief Compliance Officer ("CCO") as required by Rule 204A1 under the Advisers Act. The Code of Ethics helps XM detect and prevent potential conflicts of interest. Employees who violate the Code of Ethics may be subject to sanctions. XM are also required to promptly report any suspected or actual violation of the Code of Ethics of which they become aware. Employees are required to annually certify compliance with the Code of Ethics. A copy of the Code of Ethics is available to any client, investor, or prospective client or prospective investor by contacting XM at 347-630-2408 or j.cox@xmonetae.com.

Conflicts of Interest

There are a number of actual or potential conflicts of interest between and among the General Partner, XM and the Funds and/or SMAs. Among those that should be considered by each prospective investor and/or Client include, without limitation, the following:

Other Investment Vehicles or Clients. The Investment Manager, the General Partner and their affiliates, may participate in or sponsor other investment vehicles, and possibly have additional

advisory accounts or Clients, in the future. Such investment vehicles and accounts may employ investment strategies similar to, or different from, that of the Funds or SMAs. The Investment Manager, the General Partner and their affiliates, may also determine to engage in other businesses. The existence of such present and future multiple investment vehicles, accounts and/or Clients, or other businesses, necessarily creates certain conflicts of interest.

The existence of multiple investment vehicles, accounts and/or clients may also create conflicts as to time and resource commitments on the part of the General Partner's and the Investment Manager's personnel. While XM Employees will devote such time to the business of the Funds and SMAs as deemed necessary, Employees may have other ongoing investment and business responsibilities which could have the effect of reducing the time Employees devote to the investment activities of the Funds.

Allocation Issues. It is possible that other investment vehicles, accounts and/or Clients managed by XM or its affiliates may invest in the same securities as the Funds or SMAs. XM intends to allocate investment opportunities among the Funds and such other investment vehicles and accounts and Clients by applying such considerations as it deems appropriate, including relative size of such investment vehicles, accounts and clients, amount of available capital, size of existing positions in the same or similar securities, impact of leverage, investment objective and strategy considerations, including, without limitation, concentration parameters and tax considerations and other factors. As a result of such considerations, allocations among the Funds and other such investment vehicles, accounts and Clients will not necessarily be pro rata. The Funds or SMAs will not be entitled to investment priority and may not necessarily participate in every investment opportunity. In cases where a limited amount of a security or other instrument is available for purchase, the allocation of such security, as between the Funds and any such other investment vehicles, accounts and Clients, may necessarily reduce the amount thereof available for purchase by the Funds or SMAs.

Although the Funds and other investment vehicles, accounts and/or Clients managed by XM and its affiliates may generally invest in the same securities, the net performance of the Funds or SMAs may vary materially from other such vehicles as a result of the allocation policies described above, as well as differing expenses, tax considerations, the impact of leverage and other factors.

Balancing Transactions. Other investment vehicles, accounts and/or Clients of XM that employ similar or substantially similar investment strategies to those of the Funds or SMAs may invest and trade on a pari passu basis; however, certain differences in the specific investment strategies employed (including, applicable investment parameters, eligibility criteria with respect to various clients or investors, applicable expenses, available capital, the relative use of leverage and other factors) (collectively, "Client Differences") may result in non-pari passu treatment of specific clients with respect to some or all of their investment and trading activities.

XM may, from time to time in its discretion, be expected to adjust (or "rebalance") the portfolio holdings of one or more of its Funds or Clients so as to eliminate or minimize variations among the portfolio holdings of such Clients that employ the same or similar investment strategies or otherwise to maintain, in the view of the Investment Manager, a desirable portfolio composition for each of such clients, subject to the applicable Client Differences. With respect to any rebalancing transactions, different broker-dealers will generally be used to effect buy orders, on one hand, and sell orders, on the other hand, in the same security. Rebalancing transactions will be effected at the next publicly quoted price on the trading day on which securities are rebalanced

among clients. Rebalancing transactions may, or may not, be subject to commissions.

Time Commitments. Employees intend to devote a portion of their time and efforts to the management of the Funds and SMAs and, possibly, other accounts with comparable strategies, as Employees deem necessary. However, additional Clients or other business responsibilities may have the effect of reducing the time Employees devote to the investment activities of the Funds or SMAs. XM and/or the General Partner may retain additional personnel as deemed necessary.

Conflicts Regarding Advisory Compensation. The Incentive Allocation to which the General Partner or XM is entitled will be determined and made annually, based upon the increase, if any, in the aggregate net asset value of an investor's interests or an SMA's account value during the year, after reduction for any unrecovered prior period losses. Since the Incentive Allocation will be determined on both realized and unrealized gains, the General Partner or XM may receive an Incentive Allocation reflecting unrealized gains at the end of a year that are not subsequently recognized by the Funds or SMAs. In general, the fact that a portion of the advisory compensation is based on capital appreciation of the Fund's interests or SMAs' account value may create an incentive for the Investment Manager, to make investments that are more speculative than would be the case in the absence of performance-based advisory compensation. The General Partner or XM has the right to agree to reductions in the Incentive Allocation and/or Management Fee chargeable to particular investors, for such consideration it deems appropriate, without notice or offering any similar opportunity to other investors.

Possible Conflicts Regarding Allocation of Investment Opportunities. To ensure that no account receives favorable treatment over another, XM examines trade origination and a scenario where a trade would originate for more than one account at the same time. XM runs multiple, primarily algorithmic strategies. The strategies may be used in a single account or multiple accounts. If the same strategy is running for multiple accounts, each account would be running on a dedicated server with identical technical specifications deemed appropriate for the strategies that are running for each account. If the same strategy is running in multiple accounts, each account would separately generate orders that are submitted electronically. They may be routed to the same or separate venues depending on multiple factors including the domicile of the fund, the prime broker or custodian for the fund, and rules or regulations of the executing venue. If the orders are routed to the same venue, the venue would determine the routing within that venue, with no discretion exercised by the adviser.

Possible Agreements with Certain Investors. The Funds and the General Partner or XM may from time to time enter into agreements with one or more investors whereby in consideration for agreeing to invest certain amounts in the Funds or other consideration deemed material by the General Partner or XM, such investors may be granted favorable rights not afforded to other investors or investors, generally. Such rights may include, without limitation, one or more of the following: special rights to make future investments in the Funds and/or other investment vehicles or managed accounts

managed by the General Partner or XM and its affiliates; special redemption rights relating to frequency, notice and/or other terms; rights to receive reports from the Funds on a more frequent basis or that include information not provided to other investors (including, without limitation, more detailed information regarding investment transactions and positions); rights to receive reduced rates of the Incentive Allocation and/or Management Fee; rights to receive a share of the Incentive Allocation, Management Fee or other amounts earned by the General Partner or XM or its affiliates; and such other rights as may be negotiated between the Funds and such investors. The Funds, the General Partner and/or XM may enter into such agreements without the consent of or notice to the other investors.

In addition, the General Partner or XM may issue additional classes of Funds' interests with offering terms that differ from the Funds' interests currently offered (including, with respect to participation in certain investments of the Funds, withdrawal rights and compensation payable to the General Partner and the Investment Manager) without the consent of, or notice to, the existing investors of the Funds.

It is possible that, under certain circumstances, one or more of the favorable rights granted to the investors may have a material adverse effect on investors not receiving those benefits. In addition, the General Partner and/or XM may from time to time enter into similar agreements with one or more SMA Clients. It should be noted that SMA Clients will typically be provided with additional transparency with respect to the investment positions of the SMAs and may be provided with real-time, direct access to the SMA portfolio positions, on a negotiated, case-by-case basis.

Item 12 Brokerage Practices

The Funds and SMAs intend to make portfolio investments that will be privately placed, on digital exchanges without the use of a broker-dealer. In the event XM requires the services of a broker-dealer, XM will seek to obtain best execution for all transactions. To inform XM's decisions in placing transactions with digital exchanges, XM considers, including, without limitation, the following factors: speed, ability to handle various trades and orders, liquidity, reliability, market color, reputation, track record and history, transaction fees, pricing, customer services, security and geography, among other criteria.

XM does not currently engage in the use of soft dollars, participate in selecting or recommending broker-dealers in exchange for client referrals, or engage in directed brokerage for clients.

XM is unable to aggregate orders on digital exchanges. XM takes seriously the allocation of investment opportunities among the Funds and SMAs. See Item 11 for more information regarding possible conflicts regarding allocation of investment opportunities. XM monitors transactions to ensure general equity of investment opportunities among the Funds and SMAs.

Item 13 Review of Accounts

Funds and SMA holdings are reviewed by the Risk Committee on a regular basis via XM's spread trading platform and risk monitoring engine to determine their conformity with their risk parameters, investment objectives, and guidelines.

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of the Funds. XM and/or the General Partner, in their sole discretion, and from time to time, may provide additional information relating to the Funds to one or more investors in the Funds as they deem appropriate.

The nature and frequency of reports are negotiated with each SMA Client.

Item 14 Client Referrals and Other Compensation

XM does not currently maintain any referral arrangements with individuals or entities that may be compensated, directly or indirectly, for referrals. However, XM may establish referral or placement arrangements in the future.

Item 15 Custody

Because XM is the Investment Manager of the Funds and affiliated with the US Feeder Fund General Partner, XM is deemed to have custody of the Funds' funds and securities. The Funds will be subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board and audited financial statements of each Fund will be prepared in accordance with generally accepted accounting principles and distributed to investors within 120 days of the end of each Funds' fiscal year.

Investors should carefully review the audited financial statements of the Funds upon receipt and compare them to any account information provided by XM. Investors in the Funds generally receive statements from the Funds' administrator. These statements should be carefully reviewed. Investors are urged to compare such statements to the information provided to them in the audited financial statements provided by the Funds' auditor.

The Investment Manager of the Funds also employs use of a "cryptocurrency custodian", Copper, Ltd. to provide an additional layer of protection for the safe keeping of Client crypto assets. Funds cannot be moved in or out of the Copper ecosystem without multiple layers of approval by XM employees and a Copper representative. Certain cryptocurrencies are also held at exchanges, which take various measures to safeguard the assets held by such exchanges. XM has developed policies and procedures for safekeeping of cryptocurrencies that it believes are consistent with the objectives of the Advisers Act's custody provisions. The nature of custodial arrangements, and associated risks, are also described in the governing documents for the relevant Funds.

XM is not deemed to have custody of its SMA Clients.

Item 16 Investment Discretion

Investment advice is provided directly to the Funds, and as applicable, subject to the direction and control of the US Feeder Fund's General Partner, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Funds' constituent documents and side letter agreements negotiated with investors in such Funds.

XM provides discretionary investment advisory services to the SMAs. The SMAA established with each Client sets forth the discretionary authority for trading and any Client restrictions. XM generally manages the Client's account and makes investment decisions without consultation with the Client as to when the assets are to be bought or sold for the account, the total amount of the assets to be bought or sold, what assets to buy or sell, and the price.

Item 17 Voting Client Securities

XM understands and appreciates the importance of ensuring that its proxy voting procedures are clearly described to Clients and investors. The core investments in XM's cryptocurrencies only investment strategy does not issue proxies, and for any securities in the future for which there may be proxies, the securities will be held for a short duration. Additionally, XM uses a number of proprietary investment technologies that are automated and quantitatively based, so XM has adopted a policy whereby it does not vote proxies, because XM is of the view that any issues related to proxy voting of portfolio issues are irrelevant to the investment strategy employed by XM, and as such, reallocating resources from the research and portfolio management process to addressing issues related to such proxies is not in the best interests of the Clients or the Funds' investors. To the extent that XM has discretion to vote the proxies of its Clients, XM will inform all Clients and investors that it has adopted a firm policy of not voting any such proxies.

A copy of XM's proxy voting policies and procedures can be provided upon written request by contacting XM at 347-630-2408 or j.cox@xmonetae.com.

Item 18 Financial Information

XM has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage the Funds or SMAs.