

## Hivemind Capital Partners LLC

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New York, New York  
4th Floor

**March 31, 2023**

This brochure (this “Brochure”) provides information about the qualifications and business practices of Hivemind Capital Partners LLC. If you have any questions about the contents of this Brochure, please contact us at Sayuri@hivemindcapital.co or Matt@hivemindcapital.co. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Registration as an investment adviser does not imply that Hivemind Capital Partners LLC or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

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

**Item 2. Material Changes**

There are no material changes to report as this is Hivemind Capital Partners LLC's initial Brochure.

**Item 3. Table of Contents**

Item 1.	Cover Page.....	1
Item 2.	Material Changes .....	2
Item 3.	Table of Contents .....	3
Item 4.	Advisory Business .....	4
Item 5.	Fees and Compensation .....	4
Item 6.	Performance-Based Fees and Side-By-Side Management .....	6
Item 7.	Types of Clients .....	6
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss .....	6
Item 9.	Disciplinary Information .....	27
Item 10.	Other Financial Industry Activities and Affiliations .....	27
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	28
Item 12.	Brokerage Practices .....	29
Item 13.	Review of Accounts .....	29
Item 14.	Client Referrals and Other Compensation .....	31
Item 15.	Custody.....	31
Item 16.	Investment Discretion .....	31
Item 17.	Voting Client Securities .....	31
Item 18.	Financial Information .....	32
Item 19.	Requirements for State-Registered Advisers .....	32

**Item 4. Advisory Business**

Hivemind Capital Partners LLC (“we,” “us,” “our,” the “Adviser”) is a Delaware limited partnership that was formed in November 2021. The Adviser is principally owned and controlled by Hourglass Digital Group, Inc. Hourglass Digital Group, Inc. is principally owned by Yechuan Zhang and AIC Capital US LLC.

We provide discretionary investment advice to private funds (each a “Private Fund”) and co-investment vehicles (each a “Co-Investment Fund”) (Private Funds and Co-Investment Funds together being the “Funds”). We also generally establish a general partner or managing member for each Fund that is or is affiliated with the Adviser (the “GP/MM”). In the future, we may also aim to provide investment advice to additional private funds or co-investment vehicles, undertake portfolio management services for institutional clients, and manage separate accounts for institutional investors (“SMAs”). We do not carry out (nor do we intend to carry out) any services at any time for retail investors. References throughout this document to “clients” refer to the Funds and any other private funds and SMA’s that we may advise in the future.

The Funds are managed in accordance with their own investment objectives, as described in their respective offering documents and governing agreements (together, the “Governing Documents”). We do not expect that we will permit investors in the Funds to impose limitations on the investment activities described in the Funds’ Governing Documents. Under certain circumstances, we may contract with a client to adhere to limited risk and/or operating guidelines imposed by that client. We would negotiate such arrangements on a case-by-case basis. (*See Item 16 - Investment Discretion.*)

We do not participate in wrap fee programs.

As of December 31, 2022, we managed approximately \$154,709,048 of regulatory assets under management on a discretionary basis. We do not manage any assets on a non-discretionary basis.

**Item 5. Fees and Compensation**

We generally receive management fees, carried interest, and/or other compensation in connection with our advisory services, as described in the Governing Documents.

**Management Fees**

As compensation for investment advisory services rendered to the Funds, each Fund’s GP/MM receives from each such Fund a management fee that is typically calculated based on (i) either capital commitments during the applicable Investment Fund’s commitment period or invested capital following the termination of such Investment Fund’s commitment period or (ii) the Fund’s prevailing net asset value. Generally, each GP/MM’s eligible management fee is based on a percentage of the foregoing (i.e., either (i) committed capital and thereafter invested capital or (ii) net asset value ranging from 2% to 2.5%. However, actual management fees may be adjusted downward by a dollar-for-dollar offset of certain portfolio company monitoring, transaction and other fees. Certain investors may pay a lower aggregate management fee than those stated above; pay management fees on a different schedule than other investors; or pay no management fees. Management fees are generally paid to the GP/MM of the applicable Fund in advance and are pro-rated based on the number of days elapsed in such period. The terms of a third-party co-investment vehicle, including management fees paid by such vehicle, are negotiated by the relevant GP/MM and the potential co-investor(s) on a case-by-case basis in their

respective sole and absolute discretion and in that regard, certain investors in such vehicles may not pay management fees.

### **Carried Interest**

The Funds typically pay a carried interest to each Fund's GP/MM, as further described in *Item 6 – Performance-Based Fees and Side-By-Side Management*.

### **Expenses**

#### *Private Funds*

In addition to the management fee and carried interest, the Funds bear certain expenses as outlined in the Governing Documents. Please review the Governing Documents for each Fund for a detailed description of expenses such Fund will bear.

Each Fund will pay expenses that include, without limitation, the Fund's organizational expenses; winding up, liquidation and dissolution costs, fees and expenses of the Fund; any sales or other taxes, fees or government charges which may be assessed against the Fund, including, but not limited to, registrar filing fees; commissions or brokerage fees or similar charges incurred in connection with the purchase or sale of securities (including any merger fees payable to third parties and whether or not any such purchase or sale is consummated); costs and expenses for software, subscriptions and other databases for purposes of sourcing and monitoring investments; costs and expenses associated with attending industry conferences and marketing expenses for trade associations; the costs and expenses (including travel-related expenses) of hosting annual and special meetings for the Fund, or otherwise holding meetings or conferences with limited partners, whether individually or in a group; interest expense for borrowed money (if any); all expenses relating to litigation and threatened litigation involving the Fund, including indemnification expenses; expenses attributable to normal and extraordinary investment banking, commercial banking, accounting, auditing, appraisal, legal, fund administration, finder's, custodial, transfer and registration services provided to the Fund and any expenses attributable to consulting services, including in each case services with respect to the proposed purchase or sale of securities by the Fund that are not reimbursed by the issuer of such securities or others (whether or not any such purchase or sale is consummated); travel expenses in connection with the investment activities of the Fund; expenses associated with outsourcing certain financial reporting, accounting and other administrative services provided to the Fund; costs of financial statements and other reports (including Schedule K-1s) provided to and other communications with the Partners, as well as costs of all governmental returns, reports and filings; governmental registration, filing and licensing costs and fees relating to the Fund, the GP/MM and the Adviser; premiums for liability or other insurance to protect the Fund, the GP/MM, the Adviser and any of their respective direct and indirect partners, members, stockholders, officers, directors, employees, agents or affiliates in connection with the activities of the Fund; and all other expenses properly chargeable to the activities of the Fund. In the discretion of the GP/MM, expenses of any feeder entities may be borne by the Fund.

#### *Co-Investment Funds*

Co-Investment Funds will pay certain expenses including expenses for the formation, operation, dissolution, winding-up, or termination of the Co-Investment Fund (including all such costs of the GP/MM), organizational expenses, investment expenses, operating expenses, transaction expenses, bookkeeping, accounting and legal expenses, indemnification and advancement expenses, tax returns,

valuation costs and expenses. The Private Fund(s) and any Co-Investment Fund(s) shall share common expenses related to a portfolio investments in proportion to the capital invested by each Fund in such portfolio investments and all other expenses in proportion to their relative subscriptions, in each case to the extent practicable.

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

The GP/MM for each Fund is generally entitled to receive carried interest distributions from the relevant Fund. Carried interest is a performance-based form of compensation in which a GP/MM is entitled to receive a specified share of the profits (typically 20%) earned by each Fund after its investors have been returned one hundred percent of their capital contributions to the Fund. Limited partners and prospective limited partners are encouraged to carefully review the Governing Documents for each Fund for details on how the carried interest is determined for such Fund.

We appreciated that performance-based compensation arrangements may create an incentive for us to recommend investments that may be riskier or more speculative than those that would be recommended under a different compensation arrangement. Performance-based compensation arrangements could also create an incentive for us to favor clients with higher performance-based compensation rates over other clients when allocating investments. We have adopted procedures designed and implemented to ensure that all clients are treated fairly and equitably, and to prevent this conflict from influencing the allocation of investment opportunities among them. In particular, it is our policy that all investment opportunities will, to the extent practicable, be allocated among the Funds on a basis that over time is fair and equitable to each Fund relative to other Funds, taking into account all relevant facts and circumstances. Although we manage multiple Funds, in general, we expect that only a single Fund (or single group of Funds investing in parallel with one another, if applicable) will be appropriate to participate in new investments at any given time. Accordingly, we generally intend to allocate new investment opportunities to such Fund (or such group of Funds, if applicable).

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

We provide advice directly to our Fund clients and not individually to investors in any Fund. Investors in the Funds are generally fund of funds, pension plans, corporations, other institutional investors, family offices and high net worth individuals. To date, the Adviser has generally required minimum investment amount of \$250,000 for any Fund. Any minimum investment amounts for a Fund may be waived at our discretion.

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

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

Our investment advisory services consist of identifying and evaluating investment opportunities in digital asset ecosystems. Once identified, we will seek to conduct a robust due diligence process and make investments in assets that are suitable for the Fund. We also deploy a process for managing and monitoring investments and achieving dispositions for investments.

**Investing in securities involves risk of loss that clients and investors should be prepared to bear. Prospective limited partners should carefully review the specific risk factors within the Funds' governing documents prior to subscribing to a Fund.**

*Risk Factors*

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

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

**Epidemics, Health Risks and COVID-19.** The initial and ongoing outbreak of the novel COVID-19 or "coronavirus" across many countries around the globe, including extensively in the United States, has materially and adversely slowed global commercial activity, has contributed to significant volatility in financial markets, and has caused many to fear a potential United States and/or global recession and significant loss of employment. The global impact of the outbreak has been rapidly evolving, and as cases of the virus have continued to be identified, many countries have reacted by instituting quarantines, significant restrictions on group gatherings, and restrictions and prohibitions on travel. Such actions are creating disruption in the global economy and supply chains and adversely impacting a number of industries, including retail, transportation, hospitality, office, multi-family, senior housing and entertainment. The outbreak and related curtailment in personal and economic activity are likely to have a material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation, the outbreak of new strains and potential for other new strains of the virus or other viruses precludes any meaningful prediction as to the duration of the current pandemic or the ultimate adverse impact. What is clear at this time, however, is that the coronavirus presents material uncertainty and risk with respect to the Fund's prospects, performance and financial results.

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

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

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

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

**Unspecified Use of Proceeds.** Limited Partners in the Fund will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Fund and, accordingly, will be dependent upon the judgment and ability of the GP/MM in investing and managing the capital of the Fund. No assurance can be given that the Fund will be successful in obtaining suitable investments, or if such investments are made, that the objectives of the Fund will be achieved.

**Distribution.** The Subscriber understands and acknowledges that at the sole and absolute discretion of the GP/MM, all or a portion of any distributions eligible to Subscriber from its interests in the Fund could be contributed to a feeder Fund (and accordingly, indirectly in investments made by the Fund) on the subscriber's behalf.

**Competition for Investments.** The business of identifying and structuring investments of the types contemplated by the Fund is competitive and involves a high degree of uncertainty. The Fund expects to encounter intense competition from other entities and investors that have investment objectives similar to that of the Fund. There is no assurance that the Fund will succeed in finding investments on similar or favorable terms in comparison to its competitors.

**Investment in Junior Securities.** The securities in which the Fund may invest may be among the most junior in a Portfolio Company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

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



**Investments Longer Than Term.** The Fund may invest in investments which may not be advantageously disposed of prior to the date that the Fund will be dissolved, either by expiration of the Fund's term or otherwise. Although the GP/MM expects that investments will be either disposed of prior to dissolution or suitable for in-kind distribution at dissolution, the Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

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

**Digital Asset Investment Risks.** The Fund intends to provide investors with exposure to investments in blockchain-related opportunities and decentralized digital assets that utilize cryptography, commonly referred to as "cryptocurrencies" (such as Bitcoin, Ethereum, ALGOs, etc.), as well as related protocols, projects, options, derivative instruments and companies (collectively, the "**Digital Assets**") that utilize cryptography to secure, control and verify transactions. Cryptocurrencies are a relatively new phenomenon and carry a number of specific risks that prospective investors should carefully consider before making an investment in the Fund. Because of the emerging nature of cryptocurrency trading, there is little precedent to operation of investment vehicles such as the Fund.

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

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

using Digital Assets; and (vi) general economic conditions and the regulatory environment relating to Digital Assets.

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

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

The imposition of regulatory restrictions on assets such as Digital Assets, or certain types of Digital Assets, could affect the value, liquidity and market price of those Digital Assets subject to heightened regulation, by limiting access to marketplaces or exchanges on which to trade such assets, or imposing restrictions on the structure, rights and transferability of such assets.

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

Any future regulatory actions applicable to any Digital Assets, the activities or technology of our Portfolio Companies and the Fund's related activities could severely impact the Fund's investments and the value of the Portfolio Companies. The Fund or the Portfolio Companies may need to cease certain activities,

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

***Volatility of Cryptocurrencies and Cryptocurrency Derivatives.*** Digital Asset prices are extremely volatile. The price of cryptocurrencies and Digital Assets is affected by many factors, including, but not limited to, global supply and demand, the expected future prices, inflation expectations, interest rates, currency exchange rates, fiat currency withdrawal and deposit policies at cryptocurrency exchanges, interruptions in service or failures of major cryptocurrency exchanges, investment and trading activities of large investors, monetary policies of governments, changes in the price of electricity, availability of hardware to support blockchain mining and staking functions, regulatory measures that restrict the use of cryptocurrencies, global political, economic, or financial events. Drastic or even gradual changes in price of cryptocurrencies and cryptocurrency derivatives could materially affect the Fund and may cause drastic fluctuations, on a daily basis, in the value of the Fund's assets and the Fund Interests. Moreover, the price of cryptocurrencies may vary between exchanges, and the value of Digital Assets as represented by one or more exchanges utilized by the Fund may be significantly higher or lower than other exchanges. There are many reasons for variation in price between exchanges, including supply and demand imbalances, regulatory restrictions based on the domicile of the exchange, or exchanges' policies on withdrawal or deposits. This variation between exchanges may be either temporary or permanent, and could have a material impact on the Fund.

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

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

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

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

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

The Fund may maintain accounts with "**Digital Asset Exchanges.**" Unlike other traditional asset classes, Digital Assets are stored and traded on Digital Asset Exchanges without traditional third parties such as prime brokers acting as intermediaries and sources of margin financing. Although the Management

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

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

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

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

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

***The Importance of Private Keys and the Potential for Irreversible Losses.*** Many Digital Assets operate using a "public key" and a "private key," which are randomized sets of numbers and/or letters that are similar to a password. The public key allows for the recording of transactions in the underlying blockchain

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

***Illiquidity of SAFT Investments and Certain Securities.*** The Fund may acquire interests in future digital tokens through instruments known as Simple Agreements for Future Tokens (“**SAFTs**”) or warrants, through mining, staking or delegation contracts, as well as securities in cryptocurrency-related companies, which will be subject to significant restrictions on sale and transfer. Such interests and securities will likely not be publicly registered and consequently cannot be freely sold or transferred except in compliance with applicable federal and state securities laws and regulations. Additionally, certain equity securities may be subject to rights of first refusal, lockups, and other significant restrictions on transfer imposed by the charters, bylaws, stock or option plans, or warrants pursuant to which they were issued by the applicable private company issuer. SAFTs and warrants for Digital Assets will allow private company issuers to issue the Fund options to acquire interests in future tokens from the private company issuers upon or following the occurrence of the ultimate development, sale and distribution of a digital token. Similarly, the Fund could enter into service contracts (such as mining, staking or delegation contracts) whereby in exchange for certain services by the Fund, the Fund receives certain tokens. The timing of receipt of the token by the Fund, including any vesting schedule, will be determined in the sole discretion of the private company issuer offering the SAFT or the contract. Such significant restrictions on and impediments to transfer could significantly reduce the value of the underlying interest or securities and could materially and adversely affect the Fund’s ability to monetize or foreclose upon such interests or securities, significantly reducing the amount that the Fund could realize from any such actions. Such restrictions on the sale or transfer of these interests or securities could have a material adverse effect on their value, which could materially and adversely affect the value of the Fund’s investments and the LP Interests of the Limited Partners.

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

***Counterparty Risk.*** Some of the markets in which the Fund may affect its transactions are “over-the-counter” or “interdealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes the Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. Such “counterparty risk” is accentuated for



contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of counterparties. The Fund is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, the Fund has no internal credit function that evaluates the creditworthiness of their counterparties. The ability of the Fund to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties' financial capabilities, and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Fund.

***The Fund's Digital Assets may be Subject to Loss, Damage, Theft or Restriction on Access.*** There is a risk that some or all of the Fund's Digital Assets could be lost, stolen or destroyed. Digital Assets held by the Fund will be an appealing target to hackers or malware distributors seeking to destroy, damage or steal the Fund's Digital Assets. Although the Fund and/or each Digital Asset Exchange uses its own security procedures with various elements such as redundancy, segregation and cold storage to minimize the risk of loss, damage and theft, the Fund cannot guarantee the prevention of such loss, damage or theft, whether caused intentionally, accidentally or by an act of god. Access to the Fund's Digital Assets could also be restricted by natural events (e.g., an earthquake or flood) or human actions (e.g., a terrorist attack). Any of these events may adversely affect the operations of the Fund and, consequently, the value of a Limited Partner's investment.

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

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

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

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

***Reliance Upon Portfolio Company Management.*** The Fund is not expected to have an active role in the day-to-day management of the companies in which it invests. To the extent that the senior management of a Portfolio Company performs poorly, or if a key manager terminates employment, the Fund's investment in such company could be adversely affected.

***Lack of Control.*** The GP/MM expects that the Fund will hold minority interests in most companies and, therefore, may have limited ability to protect its position and investment.

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

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

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

***Restrictions on the Sale or Distribution of Portfolio Company Securities.*** The Fund may be prohibited by lock-up agreements or insider trading restrictions from distributing or selling Portfolio Company securities for a period of time, during which the price of a Portfolio Company's securities could decline during such period of time, and the values ascribed to the Fund's assets by the GP/MM may differ substantially from the values that would be ascribed to such assets by a third party that is in a position to sell such assets immediately. In addition, the GP/MM may, in its sole discretion, withhold distribution of securities



beyond the relevant lock-up period. It may be difficult for the Fund to value its interests in privately held portfolio companies.

***Distributions in Kind.*** The GP/MM may distribute certain of the Fund's investments in securities or other non-cash property. Any such distribution could put downward pressure on the price of a Portfolio Company's securities and could reduce the Fund's influence in the Portfolio Company's affairs. Further, distributions in kind, particularly on dissolution of the Fund, may result in the receipt by Partners of highly illiquid unregistered securities. A Limited Partner that receives assets other than cash from the Fund may incur substantial costs and delays in converting those assets to cash.

***Liability of Limited Partners.*** The GP/MM may require each Limited Partner to return distributions made to such Limited Partner for the purpose of meeting such Limited Partner's pro rata share of the Fund's indemnification and other obligations or to provide the Fund with capital to make investments.

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

***Limited Operating History.*** The Fund and the GP/MM have little to no operating history or investments. Information provided to potential investors relating to the performance of prior investments made and managed by the Principal is not indicative of and does not guarantee the future performance of the Fund. There can be no assurance that the investments of the Fund will perform as well as anticipated or that the Fund will be able to avoid losses.

***Difficulty of Locating Suitable Investments.*** The Fund may be unable to find a sufficient number of attractive investment opportunities to meet its investment objectives and, therefore, there is no assurance that the Fund will succeed in sourcing investment opportunities that meet the Fund's investment criteria and, even if successful, that those selected investments will produce competitive returns. A Limited Partner must rely on the ability of the GP/MM to identify, structure and implement investments consistent with the Fund's objectives and policies. The investment performance of prior funds or investments managed by any of the managing members of the GP/MM cannot be relied on as an indicator of the Fund's future performance or success. Limited Partners will not have the opportunity to evaluate the business, financial and other information which will be used by the GP/MM and the managing members of the GP/MM in their analysis, selection and monitoring of Portfolio Company investments for the Fund.

***Expedited Transactions.*** Investment analyses and decisions by the GP/MM may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, access to detailed information regarding the investment may be limited to GP/MM at the time of making an investment decision. Therefore, no assurance can be given that the GP/MM will have knowledge of all circumstances that may adversely affect an investment.

***Risks of Certain Dispositions of Assets.*** In connection with the disposition of an investment in a Portfolio Company, the Fund may be required to make representations about the business and financial affairs of

the Portfolio Company typical of those made in connection with the sale of any business. It may also be required to indemnify the purchasers of such investment to the extent that any such representations turn out to be inaccurate. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Limited Partners to the extent of their capital commitment to the Fund or previous distributions made to them.

***Distributions In Kind.*** The GP/MM may distribute certain of the Fund's investments in securities or other non-cash property. Any such distribution could put downward pressure on the price of a Portfolio Company's securities and could reduce the Fund's influence in the Portfolio Company's affairs. Further, distributions in kind on dissolution of the Fund may result in the receipt by investors of highly illiquid unregistered securities. An investor that receives assets other than cash from the Fund may incur substantial costs and delays in converting those assets to cash.

***Reserves.*** The GP/MM may establish reserves for follow-on investments by the Fund in Portfolio Companies, operating expenses (including management fees), Fund liabilities, and other matters. Estimating the appropriate amount of such reserves is difficult, especially for follow-on investment opportunities, which are directly tied to the success and capital needs of Portfolio Companies. Inadequate or excessive reserves could impair the investment returns to the Limited Partners. For example, if reserves are inadequate, the Fund may be unable to take advantage of attractive follow on or other investment opportunities or to protect its existing investments from dilutive or other punitive terms associated with "pay-to-play" or similar provisions. Alternatively, if reserves are excessive, the Fund may decline attractive investment opportunities or hold unnecessary amounts of capital in money market or similar low-yield accounts.

***Reliance on the GP/MM.*** The GP/MM and its affiliates will have exclusive responsibility for managing the Fund's activities, and Limited Partners will not be able to make investment or any other decisions in the management of the Fund. Additional partners may be admitted to the GP/MM following the Fund's initial closing, existing partners may withdraw, and the Limited Partners will have no power to prevent any specific person from being admitted to, or withdrawing from, the GP/MM.

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

In addition, the Limited Partners will not be permitted to evaluate investment opportunities or relevant business, economic, financial or other information that will be used by the GP/MM in making decisions. Except as specifically provided in the Fund Agreements, the GP/MM will have the exclusive right and power to manage the Fund's business and affairs.

***Failure to Market Fund's Successfully.*** There can be no assurance as to the amount of capital commitments that will be raised by the Fund. In addition, there is no assurance that the Fund will begin operations. The investment activities of the Fund may be adversely affected if an unexpectedly low level of capital commitments to the Fund are raised (if at all).

**U.S. Dollar Denomination of Interests.** Limited Partners subscribing for the Fund Interests in any country in which U.S. dollars are not the local currency should note that changes in the value of exchange rate between U.S. dollars and such currency may have an adverse effect on the value, price or income of the investment to such Limited Partner. There may be non-U.S. exchange regulations applicable to investment in non-U.S. currencies in certain jurisdictions. Each prospective Investor should consult with his or her own counsel and advisors as to all legal, tax, financial and related matters concerning an investment in the Fund.

**Absence of Effective Remedies Against the GP/MM.** There can be no assurance that adequate remedies will be available to any Limited Partner if the GP/MM fails to perform its duties. The Fund Agreements includes provisions for exculpation and indemnification of the GP/MM and its respective partners, members, managers, officers, directors, shareholders, employees and affiliates. Therefore, Limited Partners may have more limited rights of action than they would have absent such limitation.

**Penalty for Failure to Make Capital Contributions.** Failure of a Limited Partner to meet a capital call could have materially adverse consequences, including, without limitation, forfeiture of all or a portion of the Limited Partners interest of the defaulting Limited Partner or forced sale of the defaulting Limited Partner's Fund Interests.

**Return of Certain Distributions.** To the extent set forth in the Fund Agreements, Limited Partners may be required to return distributions previously received by them from the Fund. More generally, Limited Partners may be required to return distributions previously received by them from the Fund to the extent required by applicable law. Such a return obligation required by applicable law may occur, for example, if the Fund makes a distribution at a time when it is technically insolvent or otherwise unable to satisfy the claims of creditors.

**Restrictions on Transfer and Withdrawal.** There is no market for the Fund Interests being acquired by Limited Partners and none is expected to develop. In addition, the Fund Interests are not transferable except with the consent of the GP/MM, which consent may be given or withheld in its sole discretion. Limited Partners may not withdraw capital from the Fund. Consequently, Limited Partners may not be able to liquidate their investments prior to the end of the Fund's term. In addition, the Fund Interests have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**") or any other applicable securities laws, and such laws will further restrict a Limited Partner's ability to transfer its Fund Interests and other interests in the Fund.

**Incentive-Based Compensation.** Because the GP/MM will receive incentive-based compensation from the Master Fund, the GP/MM and its principals have a conflict of interest between their responsibility to manage the Fund for the benefit of the Limited Partners and their interest in maximizing the compensation that the GP/MM will receive. For example, the allocation of incentive distributions to the GP/MM may create an incentive for the GP/MM to engage in riskier or more speculative investments than might be the case if the GP/MM were compensated on a basis not tied to the performance of the Fund.

**Delayed Schedule K-1s.** The Fund may not be able to provide final Schedule K-1s to Limited Partners for any given fiscal year until after April 15 (or other applicable filing deadline) of the following year. The GP/MM will use commercially reasonable efforts to provide Limited Partners with final Schedule K-1s within one hundred and twenty (120) days after the close of each fiscal year, but final Schedule K-1s may not be available until the Fund has received tax-reporting information from its portfolio companies necessary to prepare final Schedule K-1s. Limited Partners may be required to obtain extensions of the

filing dates for their U.S. federal, state, and local income tax returns. Each prospective Investor should consult with its own adviser as to the advisability and tax consequences of an investment in the Fund.

**Expenses.** The Fund Agreements contains detailed provisions regarding the apportionment of expenses between the GP/MM (on the one hand) and the Fund (on the other hand). The apportionment of expenses inherently creates conflicts of interest between the GP/MM and the Fund. For example, in some cases, the same individual could be admitted or engaged as a member or employee of the GP/MM (in which case, the GP/MM generally would bear the expense of such individual's salary, etc.) or as a consultant/advisor (in which case the Fund or a portfolio company generally would bear the expense of fees paid to such individual). In general, Limited Partners will have no right to require that any particular individual be admitted, engaged or retained as a member or employee of the GP/MM, with the result that decisions regarding such matters generally will be made by the GP/MM on the basis of their own interests (e.g., their own determinations as to the appropriate size of their organizations). In certain cases, a portfolio company may reimburse the GP/MM for costs that otherwise would be borne by the GP/MM under the Fund Agreements. In general, the Fund would not be entitled to benefit from any such reimbursement.

**Service on the Board of Directors.** The Principal or other persons affiliated with the GP/MM may serve as directors of certain of the Fund's Portfolio Companies. Such service, especially in light of new statutes and regulations relating to corporate governance and increased scrutiny of corporate boards, could expose the Fund or the GP/MM and its members and affiliates to regulatory action and/or claims by a Portfolio Company, its security holders and its creditors. While the GP/MM intends to manage the Fund in a way that will minimize exposure to these risks, the possibility of successful claims or adverse regulatory actions cannot be eliminated, and such events may have a significant adverse effect on the Fund.

In their capacity as directors of Portfolio Companies, such persons will be subject to fiduciary and other duties to the Portfolio Company on whose board they serve, which duties may on occasion conflict with the best interests of the Fund. For example, the Fund's ability to sell the publicly traded securities of a Portfolio Company may be limited if any of them are in possession of material nonpublic information relating to such Portfolio Company.

**Industry Specific Terminology.** Prospective Limited Partners are cautioned that certain terms and phrases of common usage within the venture capital and private equity industry may be misleading to those unfamiliar with such usage. In particular, individuals who participate in the management of a fund often are referred to, in a colloquial sense, as "general partners" even though they are not actually general partners of any partnership. Prospective Limited Partners are reminded that the Fund consists of a limited partnerships, that the GP/MM will be a limited liability company, It is not intended that the Fund will have any general partner other than the GP/MM or that any actual general partnership will in any manner be associated with the formation, operation, dissolution or termination of the Fund. Prospective Limited Partners must not presume or rely upon the existence of any actual legal entities other than the Fund, the GP/MM. With respect to all matters involving industry specific terminology, prospective Limited Partners are urged to consult with their own legal and other advisors.

**Exculpation and Indemnification.** The Fund Agreements will contain provisions that relieve the GP/MM or its respective affiliates of liability for certain improper acts or omissions. For example, the GP/MM and its members generally will not be liable to the Limited Partners or the Fund for acts or omissions that constitute ordinary negligence. Under certain circumstances, the Fund may even indemnify the GP/MM and its members against liability to third parties resulting from such improper acts or omissions.

Furthermore, it is expected that the GP/MM will be structured as a limited liability company and that the members of the GP/MM generally will not be personally liable for the GP/MM's debts and obligations. In consequence, Limited Partners may have little or no recourse to the personal assets of the members of the GP/MM even if the GP/MM breaches a duty to the Limited Partners or the Fund. Notwithstanding any applicable provisions of the Fund Agreements, Limited Partners may have, or be entitled to, rights, claims, causes of action or remedies that cannot be waived or forfeited under applicable law. In particular, Limited Partners should consult with their own legal counsel before concluding that any particular claims against the GP/MM or its respective affiliates have been waived or forfeited by virtue of the Fund Agreements or otherwise.

**Certain Litigation Risks.** The Fund will be subject to a variety of litigation risks, particularly if one or more of its Portfolio Companies face financial or other difficulties during the term of the Fund. Legal disputes, involving any or all of the Fund, the GP/MM, its members or its affiliates, may arise from the foregoing activities (or any other activities relating to the operation of the Fund or the GP/MM) and could have a significant adverse effect on the Fund. The Fund may also participate in Portfolio Company financings at implicit portfolio company valuations lower than the valuations implicit in preceding rounds of financing. While this provides the Fund with more opportunity to positively influence the company's success, it can also lead to greater exposure of the Fund's assets. In the event of a dispute arising from any of the foregoing activities (or other activities relating to the operation of the Fund), it is possible that the Fund, the GP/MM, or any of their affiliates may be named as defendants. Portfolio Companies may have insurance to protect directors and officers, but this insurance may be inadequate. Under most circumstances, the Fund will indemnify the GP/MM, and its affiliates for any costs they incur in connection with such disputes. Beyond direct costs, such disputes may adversely affect the Fund in a variety of ways, including by distracting the GP/MM and harming relationships between the Fund and its Portfolio Companies or other investors in such Portfolio Companies.

**Freedom of Information/Sunshine Laws.** Under "freedom of information," "sunshine," "public records" and similar laws, certain governmental or other regulated entities such as state universities and pension funds may be required to publicly disclose confidential information regarding the Fund or its Portfolio Companies, notwithstanding contractual obligations (such as those contained in the Fund Agreements) to the contrary. Any such disclosure could have a material adverse effect upon the Fund or its Portfolio Companies, and could expose the Fund, the GP/MM, or any of their affiliates to claims for damages brought by Portfolio Companies or other persons related thereto. The Fund Agreements may limit or prohibit such entities from being admitted to, or continuing to hold an interest in, the Fund.

**ERISA Matters.** Each prospective investor is urged to consult with its own legal counsel regarding ERISA matters. Without limitation, a prospective investor that is a fiduciary under ERISA should carefully consider whether an investment in the Fund would be consistent with its fiduciary duties.

**Receipt of Material, Non-Public Information.** By reason of their responsibilities in connection with the Fund and other activities, the GP/MM may acquire confidential or material non-public information relating to Portfolio Companies or may be restricted from initiating transactions in certain securities. The Fund may not be free to act upon any such information.

**Confidential Information.** The Fund Agreements contains confidentiality provisions intended to protect proprietary and other information relating to the Fund and the Portfolio Companies. To the extent that such information is publicly disclosed, competitors of the Fund and/or the Portfolio Companies, and

others, may benefit from such information, thereby adversely affecting the Fund, the Portfolio Companies, the GP/MM, and the economic interests of the Limited Partners.

*Risks Related to Certain Conflicts of Interest*

**General.** The Fund may invest in companies in which a conflict of interest, or an apparent conflict of interest, exists or may exist. For example, members of the GP/MM may receive directors' fees or similar compensation from Portfolio Companies. In addition, the GP/MM may invest for their own accounts in the securities of any Portfolio Company. The Fund also is permitted to invest in any entity, company, cryptocurrency or other Digital Asset in which the GP/MM, its affiliates or the Principal has a pre-existing direct ownership interest.

The Fund Agreements will contain certain protections for Limited Partners against conflicts of interest faced by the GP/MM and its members but will not purport to address all types of conflicts that may arise. Moreover, as a practical matter, it may be difficult for Limited Partners to subject the behavior of the GP/MM and its partners to close scrutiny. By acquiring an interest in the Fund, each Limited Partner will be deemed to have acknowledged the existence of such actual and potential conflicts of interest.

**Co-investment Opportunities.** The GP/MM may offer to Limited Partners, affiliates of the GP/MM and its member, officers and employees, or other parties certain co-investment opportunities with the Fund if the GP/MM determines that, for purposes of diversifying the Fund's portfolio of investments, to comply with its investment restrictions, to address tax, regulatory or similar concerns, for strategic purposes or otherwise for the best interests of the Fund, the size and type of the investment makes it impractical or imprudent for the Fund to acquire 100% of the investment for its own account. In these cases, while the GP/MM will seek to act in the best interest of the Fund, conflicts of interest can arise in the allocation of investment opportunities to co-investors that are affiliated with or otherwise have a business relationship with the GP/MM, or its affiliates because the Fund will receive a smaller investment allocation in the particular investment than it otherwise would have received if the GP/MM had not provided such co-investor with the co-investment opportunity.

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

**Establishment of Additional Funds.** Subject to the terms of the Fund Agreements, the GP/MM may organize a new investment fund similar to the Fund, after certain benchmarks have been achieved and upon the occurrence of certain other events. Any such new fund may be interested in the same investment opportunities as the Fund. There is no assurance that Limited Partners in the Fund will be offered the opportunity to participate in any subsequent funds.

**GP/MM's Profits Interest.** The capital contribution of the GP/MM will represent a smaller percentage of the Fund's capital than the capital contributions of the Limited Partners as a whole. Limited Partners will



invest greater amounts and receive a proportionately smaller interest in the profits of the Fund than the GP/MM. Because the percentage of profits allocated to the GP/MM will exceed the capital percentage of the GP/MM, the GP/MM may have an incentive to make investments that are riskier or more speculative than if the GP/MM received allocations on a basis identical to that of the Limited Partners or were compensated on a basis not tied to the performance of the Fund. Because, under current law, the holding period for long-term capital gain in respect of carried interest differs from the regular holding period for long-term capital gain, the GP/MM may have an incentive to hold an investment for a longer period of time than it otherwise would if the regular holding period for long-term capital gain applied.

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

**Lack of Separate Legal Counsel.** Goodwin Procter LLP (“**Goodwin**”) served as legal counsel to the GP/MM, the Fund and certain of their affiliates and not to any Limited Partner that becomes a limited partner of the Fund by virtue of its investment in the Fund. Although Goodwin assisted in the preparation of this Summary Information and may from time to time advise the GP/MM, the Fund and certain of their affiliates with respect to their respective obligations to the Fund, Goodwin has not independently verified any factual assertions made in this Summary Information and is not responsible for either the GP/MM’s or the Fund’s compliance with its investment program or applicable law. No person should invest in the Fund as a result of Goodwin’s participation in the preparation of this Summary Information or its representation of the GP/MM, the Fund and certain of their affiliates. The GP/MM, the Fund and Goodwin urge each prospective Limited Partner to consult with his, her or its own legal, accounting, business, investment, pension and tax advisors to determine the appropriateness and consequences of an investment in the Fund and arrive at an independent evaluation of the merits of such investment. Prospective Limited Partners are not to construe the contents of this Summary Information as legal, accounting, business, investment, pension or tax advice.

#### *Risks Related to Securities Laws*

**Securities Law Matters.** The Fund Interests are not and will not be registered under the Securities Act, or any other securities laws, including state securities or blue sky laws. The Fund Interests will only be offered and sold to such persons that are “accredited investors” as defined in Rule 501 of Regulation D promulgated under the Securities Act. Such Fund Interests will be offered without registration in reliance upon the Securities Act exemption for transactions not involving a public offering. Investors will be required to make certain representations to the Fund, including that they are acquiring interests in the Fund for their own account, for investment purposes only and not with a view to their distribution.

If certain persons and entities involved with the offering of the Fund Interests, including any Limited Partner holding 20% or more of the Fund's outstanding voting equity securities, are or have been subject to certain criminal convictions, SEC disciplinary orders, court injunctions or similar adverse events, then in certain instances the Fund may be disqualified from relying upon Rule 506 of the Securities Act. While the GP/MM intends to exercise reasonable care to identify and exclude any such persons or entities from participating in the offering, there is no assurance that such efforts will be deemed to be sufficient to comply with these requirements. If the Fund were disqualified from relying upon the exemption from registration provided in Rule 506, then there may not be another exemption from registration available under the Securities Act and, consequently, the Fund may not have an exemption from registration under any state securities or blue sky laws.

**Investment Company Act and Investment Advisers Act Considerations.** The Fund is not registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and the GP/MM is not currently registered under the Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**"). Therefore, Limited Partners in the Fund are not afforded the protection provided by the Investment Company Act or the Investment Advisers Act and the extensive regulations thereunder.

**Anti-Money Laundering Regulation – United States.** The GP/MM may be required to comply with Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**USA PATRIOT Act**") and any relevant regulations and any other applicable laws or regulations. The Fund, the GP/MM may be required to obtain a detailed verification of the identity of each prospective investor or Limited Partner, the identity of any beneficial owner of any such prospective investor or Limited Partner, and the source of funds used to subscribe for Fund Interests in, or to make capital contributions to, the Fund. Each prospective investor and Limited Partner shall be required to represent that it is not a "prohibited person," as defined by the USA PATRIOT Act, U.S. Executive Order 13224, and other relevant legislation and regulations. Should a prospective investor or Limited Partner refuse to provide any information required for verification purposes, the Fund may refuse to accept a subscription from such prospective investor or may cause the withdrawal of any such Limited Partner from the Fund. The Fund, the GP/MM may request such additional information at any time from prospective investors or Limited Partners as is necessary in order to comply with the USA PATRIOT Act, U.S. Executive Order 13224, and other relevant U.S. or other anti-money laundering legislation and regulations. The Fund may, by written notice to any Limited Partner, require such Limited Partner to withdraw from the Fund if the GP/MM reasonably deems it necessary to do so in order to comply with the USA PATRIOT Act, U.S. Executive Order 13224, and any other relevant anti-money laundering legislation and regulations applicable to the Fund, the GP/MM or any of the Fund's other service providers, or if so ordered by a competent U.S. or other court or regulatory authority.

Each prospective investor or Limited Partner will also be required to represent that it is not subject to sanctions under any law, regulation or order administered by the Office of Foreign Assets Control ("**OFAC**") of the U.S. Department of the Treasury, including without limitation Subtitle B, Chapter V of Title 31 of the U.S. Code of Federal Regulations. Should a prospective investor or Limited Partner refuse to provide any information required for verification purposes, the Fund may refuse to accept a subscription from such prospective investor or may cause any such Limited Partner to withdraw from the Fund. The Fund and the GP/MM may request such additional information from potential investors or Limited Partners as is necessary in order to comply with any law, regulation or order administered by OFAC. The Fund may, by written notice to any Limited Partner, require such Limited Partner to withdraw from the Fund if the GP/MM reasonably deems it necessary to do so in order to comply with any law, regulation or order administered by OFAC.



**AIFMD.** The Alternative Investment Fund Managers Directive (“**AIFMD**”) came into force in July 2013. AIFMD applies to (i) alternative investment fund managers established in the European Union (the “**EU**”) that manage EU or non-EU alternative investment funds, (ii) non-EU alternative investment fund managers that manage EU alternative investment funds and (iii) non-EU alternative investment fund managers that market their alternative investment funds within the EU. If the Fund is marketed to investors within the EU, the Fund may be subject to certain reporting, disclosure and other compliance obligations under AIFMD, which may result in the Fund incurring additional costs and expenses. AIFMD may also restrict or prohibit the marketing of non-EU funds to Investors based in the EU, which may make it more difficult for the Fund to raise its targeted amount of capital commitments.

**General Data Protection Regulation.** The Fund may be subject to the EU’s General Data Protection Regulation (Regulation 2016/679) (“**GDPR**”), which became effective on May 25, 2018 and introduced substantial changes to the European data protection framework. The GDPR has extra-territorial application and applies not only to organizations with a presence in the European Economic Area (“**EEA**”) but also to non-EEA based businesses that carry out processing that is related to (i) an offer of goods or services to individuals in the EEA or (ii) the monitoring of their behavior so long as this takes place in the EU (for example, through cookies and other tracking tools), even if the data is stored outside the EEA. Offering investment opportunities to investors in the EEA and processing personal data in the context of that activity will trigger the application of the GDPR. The GDPR has introduced enhanced obligations on controllers of personal data and new obligations on processors, while establishing new rights for individuals with respect to their personal data. In addition, although regulatory behavior and penalties under the GDPR remain an area of considerable scrutiny, the GDPR significantly increases the sanctions for breach of data protection with potential fines of up to the higher of 20 million euros or 4% of global annual revenues. Moreover, individuals can claim damages resulting from infringement of the GDPR. The GDPR also introduces the right for non-profit organizations to bring claims on behalf of data subjects, which is envisaged to give rise to U.S.-style class action suits. Should the Fund become subject to the GDPR, it may be required to take additional measures to comply with its terms, including updating policies and procedures and reviewing relevant information technology systems, which may create additional costs and expenses for the Fund and therefore its Limited Partners. In addition, the Fund may have indemnification obligations in respect of, or be required to pay the expenses relating to, any litigation or action as a result of any purported breach of the GDPR. Limited Partners in non-EU funds other than living individuals in the EU may not be afforded the protections of the GDPR, although the global landscape for data protection is changing and some countries are enacting or may enact legislation similar to the GDPR.

Outside of GDPR, the Fund and the GP/MM may become subject to other privacy, data protection and information security laws. Compliance with these laws could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and some of the current and planned business activities of the GP/MM, the Fund and/or the Portfolio Companies. A failure to comply with such laws could result in fines, sanctions or other penalties, which could materially and adversely affect the operations and performance of the Fund, as well as have an impact on reputation.

**CFIUS Considerations.** Certain investments by the Fund involving the acquisition of a U.S. business connected with U.S. national security may be subject to review by and approval from the U.S. Committee on Foreign Investment in the U.S. (“**CFIUS**”). In the event that CFIUS reviews one or more of the Fund’s investments, there can be no assurances that the Fund will be able to maintain or proceed with such investments on terms acceptable to the Fund. Additionally, CFIUS may seek to impose limitations on one or more such investments that may prevent the Fund from maintaining or pursuing investment

opportunities that the Fund otherwise would have maintained or pursued, which could adversely affect the performance of the Fund's investments and thus the performance of the Fund. Certain of the Limited Partners of the Fund are expected to be non-U.S. investors, and in the aggregate, may comprise a substantial portion of the Fund's aggregate capital commitments, which may increase the risks of such limitations being imposed in connection with investments pursued or made by the Fund. Federal legislation that is pending consideration by the U.S. Congress would increase the number and types of transactions that are subject to the jurisdiction of CFIUS, potentially affecting the Fund. Legislative and regulatory changes, including changes to agency practice, in the future may negatively impact the ability of the Fund to realize value from certain existing and future investments, including by limiting exit opportunities or causing the Fund to favor buyers that it believes are less likely to require CFIUS review, even in circumstances where other buyers may offer better terms or more consideration.

***Enhanced Scrutiny and Potential Regulation of Private Funds.*** The Fund's ability to achieve its investment objectives, as well as the ability of the Fund to conduct its operations, is based on laws and regulations that are subject to change through legislative, judicial or administrative action. Periodically, there is discussion regarding enhanced governmental scrutiny and/or increased regulation of the private fund industry. It is possible that such scrutiny or regulation could have an adverse impact on the Fund's operations or its ability to achieve its investment objectives. The combination of recent scrutiny of private fund sponsors (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators may complicate or prevent the Fund's efforts to consummate investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, the Fund may invest in fewer transactions or incur greater expenses or delays in completing investments than it otherwise would have. Any increase in the regulations applicable to private funds generally and/or their advisers may result in increased expenses associated with the Fund's activities being devoted to such regulatory reporting and compliance-related obligations, which may have an adverse effect on the ability of the Fund to effectively achieve its investment objective.

***Taxation.*** Risks associated with tax matters are complex and involve the laws and practices of multiple jurisdictions, including the United States, an investor's resident country and the potential host countries of Portfolio Companies, including any political subdivision of any of the foregoing. No tax considerations are addressed in this Subscription Agreement. Limited Partners are urged to consult their own tax advisors with respect to their own tax situations and the effect of an investment in the Fund.

***Phantom Income.*** A Limited Partner may be allocated taxable income and gain in any taxable year in excess of the cash distributed to such Limited Partner for such taxable year. In any such event, the amount of cash that may be distributed to a Limited Partner by the Fund may not be sufficient to permit such Limited Partner to satisfy its tax liability associated with holding its interest in the Fund, and such Limited Partner will have to utilize other means to satisfy such tax liabilities.

***Taxation of Cryptocurrency*** The tax treatment of an investment in cryptocurrency by the Fund (or any Portfolio Company) remains unclear and the IRS may take tax positions contrary to the tax positions taken by the Fund (or any Portfolio Company) with respect to any such investment. In the event of a U.S. federal income tax audit (or other proceeding by a taxing authority) successfully challenging a tax position taken by the Fund (or any Portfolio Company) with respect to such investment, Limited Partners may suffer adverse tax consequences. In addition, certain investments and transactions involving cryptocurrencies can give rise to taxable income or gain without a corresponding receipt of cash (for example, an exchange of such investments for other cryptocurrencies or other digital assets or "airdrops" or "chain splits").

Further, any income generated from cryptocurrencies that is Proof of Stake (PoS) income, token rewards from “staking” or income from similar activities may be taxable as ordinary income.

**UBTI Considerations for Tax-Exempt Investors.** Under the Fund Agreements, the GP/MM will use commercially reasonable efforts to conduct the affairs of the Fund in a manner that does not cause any Tax-Exempt Partner to, solely as a consequence of the Fund’s activities, realize any “unrelated business taxable income” within the meaning of Sections 512 through 514 of the Code (“**UBTI**”). Notwithstanding the foregoing, the GP/MM will be under no obligation to avoid the recognition of UBTI to the extent that such recognition is attributable to any investment in cryptocurrencies and/or other digital assets.

**Tax Considerations for Non-U.S. Investors.** Under the Fund Agreements, the GP/MM shall use commercially reasonable efforts to conduct the affairs of the Fund in a manner that will not cause a Non-U.S. Partner to, solely as a consequence of the Fund’s activities, realize income “effectively connected with the conduct of a trade or business within the United States” within the meaning of Section 864(b) of the Code (“**ECI**”). Notwithstanding the foregoing, the GP/MM will be under no obligation to avoid such investment activities to the extent attributable to any investment in cryptocurrencies and/or other digital assets.

**Investors’ Restrictions.** Potential investors whose activities are subject to legal investment laws and regulations, regulatory capital requirements or to review by certain regulatory authorities may be subject to restrictions or prohibitions on making an investment in the Fund. Any such investor should consult its own legal advisors in determining whether and to what extent it is able to invest in the Fund. No representation is made as to the proper characterization of the Fund Interests or the Fund’s investments for legal investment or any other purposes, or as to the ability of particular investors to invest in the Fund.

All prospective investors should carefully review the Fund’s governing documents for a complete list of risk factors applicable to an investment in a particular Fund.

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

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

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

As noted above, we are affiliated with each GP/MM that serves as a general partner or managing member to the Funds. The GP/MM and the Adviser operate as a single advisory business with common officers and employees.

##### *Other Affiliates*

We are affiliated with Hivemind Capital Partners UK LLP, a separate investment adviser that is authorized under the Financial Conduct Authority in the United Kingdom via Vittoria & Partners. Hivemind Capital Partners UK LLP is operating separately from the Adviser on separate funds. To the extent that investment ideas are shared between Hivemind Capital Partners UK LLP and the Adviser, the Adviser has adopted policies and procedures addressing how such opportunities will be allocated along with the associated expenses. In the event that conflicts of interest occur, the Adviser maintains a conflicts register and appropriate policies to manage such investment ideas.

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

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

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

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

*Personal Trading Policy*

Employees must obtain pre-clearance from the Chief Compliance Officer prior to engaging in any transactions in (i) private placements or limited offerings, (ii) initial public offerings, (iii) initial coin offerings, and (iv) cryptocurrencies and other digital assets. Additionally, employees will be required to provide our Chief Compliance Officer with periodic reporting relating to their trading activity and personal accounts. Our policies relating to personal trading will also generally apply to any account where an employee has beneficial ownership over such account. This includes an employee's spouse or minor child, or an immediate family member of an employee living in the same household as such employee.

Employees are prohibited from transacting in any issuers that are listed on the Restricted List maintained by the Chief Compliance Officer.

*Participation or Interest in Client Transactions*

Our employees have the option to make personal investments in the Funds. Investments made by employees are not charged a management fee or carried interest, but employees will pay their pro-rata portion of all expenses allocated to the Fund in which they have invested. Employees investments are otherwise made on the same terms and conditions as other investors in the Funds. This category of investors (i.e. employees) are disclosed to investors as a separate investment class.

We do not anticipate engaging in principal transactions. However, if circumstances change in the future, we will not engage in any principal transactions unless we have determined that the transaction is in the relevant clients' best interests and have obtained client consent in accordance with our written procedures and applicable law.

**Item 12. Brokerage Practices***Selection of Brokers*

For each of the Funds, the Adviser has, subject to the direction of such Fund's general partner or managing member, if applicable, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions.

The Firm's advisory business will involve privately-negotiated transactions in which best execution obligations do not arise in the same context as transactions in publicly-traded securities or digital assets. With respect to such private transactions, the Firm believes it will fulfill its best execution responsibilities through careful evaluation and negotiation of the terms of each such transaction.

In placing each publicly-traded securities or digital assets transactions for a Fund involving a broker-dealer, the Adviser will seek best execution of the transaction. Best execution in this context means obtaining for a Fund account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer. Best execution is not limited solely to the consideration of the best available commission rate.

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

In order to monitor best execution, the Adviser will periodically monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of the Adviser and each Fund.

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

*Research and Other Soft Dollar Benefits*

Soft dollar arrangements arise when an investment adviser obtains products and services, other than securities execution, from a broker in return for directing client securities transactions to the broker. Soft dollar arrangements create a potential incentive for us to select a broker based on our interest in receiving

the research or other products or services offered by such broker, rather than on our clients' interests in receiving most favorable execution. Further, soft dollar arrangements pose a possible conflict of interest for us in that such arrangements potentially allow us to pay with client commissions expenses that would otherwise be borne by us.

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

#### *Brokerage for Client Referrals*

We do not receive client referrals from any brokers.

#### *Aggregation of Orders*

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

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

#### *Review of Accounts*

It is the investment team's responsibility to understand which investment restrictions apply to which Funds under its management, and to ensure that any transaction for a Fund is consistent with the investment restrictions applicable to that Fund. In addition to ensuring that each investment, including follow-on investments, made for a Fund is consistent with the Fund's investment restrictions, each investment team, in conjunction with the Chief Compliance Officer, is responsible for the periodic review of the holdings of the Funds they manage.

#### *Reporting*

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

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

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

We do not expect that we will receive any economic benefits from third parties in connection with the provision of investment advice to the Funds.

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

**Item 15. Custody**

Item 15 is not applicable to the Adviser.

**Item 16. Investment Discretion**

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

**Item 17. Voting Client Securities**

To the extent that we trade in public securities or digital assets for client accounts, we generally have voting discretion over such assets. Clients generally are not able to direct their votes in a particular situation. We have adopted proxy voting policies and procedures, which are summarized below.

In the absence of specific voting guidelines from the client or conflicts of interest, we will vote all proxies in the best interests of each client, which may result in different voting results for proxies for the same issuer. In addition, we may determine to abstain from voting a proxy if we believe that such action is in the best interests of a particular client. We may take into account the following factors, among others, in determining if a specific proposal is in the best interests of a particular client: (a) management of the issuer's views and recommendations on such proposal; (b) whether the proposal may have the effect of entrenching existing management and/or making management less responsive to shareholders' concerns (*e.g.*, instituting or removing a poison pill, classified board of directors and/or other anti-takeover measure); and (c) whether we believe that the proposal will fairly compensate management for its and/or the issuer's performance. If we deem that the issue being voted upon is not material for us and our clients, we will not be obligated to vote on such matter.

The Funds will also invest in private companies which typically do not issue proxies. Under certain limited circumstances, however, we may be required to vote proxies solicited by our Funds' portfolio companies. In these situations, we will vote proxies in the best interest of the Funds, which generally means voting to maximize the value of the portfolio companies for the Funds, including taking into account the considerations outlined above, as applicable.

Upon the request by an investor to the Chief Compliance Officer, we will disclose to such investor how we voted proxies for securities owned by such Fund. We will also provide a copy of our proxy voting policies and procedures to clients upon request.

**Item 18. Financial Information**

We do not collect management fees more than six months in advance. As such, we are not required to include our balance sheet for our most recent fiscal year with this Brochure.

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

Item 19 is not applicable to the Adviser.