Name of Offeree: _____ Copy No. _____

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

R&S AVALANCHE INFRASTRUCTURE FUND, LP

A Delaware Limited Partnership

LIMITED PARTNERSHIP INTERESTS

MINIMUM COMMITMENT: $100,000

GENERAL PARTNER:

RISE & SHINE PARTNERS, LLC

INVESTMENT MANAGER:

RISE & SHINE MANAGEMENT, LLC

APRIL 2024

R&S Avalanche Infrastructure Fund, LP

1216 Broadway
New York, NY 10001

This Confidential Private Placement Memorandum (the "***Memorandum***") has been prepared on a confidential basis and is intended solely for the use of the recipient named on the cover hereof in connection with this offering. Each recipient, by accepting delivery of this Memorandum, agrees not to make a copy of the same or to divulge the contents hereof to any person other than a legal, business, investment or tax advisor in connection with obtaining the advice of any such persons with respect to this offering.

The Memorandum relates to the offering (the "***Offering***") of limited partnership interests (the "***Interests***") of R&S Avalanche Infrastructure Fund, LP, a Delaware limited partnership (the "***Partnership***"). Interests are suitable only for sophisticated investors (a) who do not require immediate liquidity for their investments, (b) for whom an investment in the Partnership does not constitute a complete investment program and (c) who fully understand and are willing to assume the risks involved in the Partnership's investment program. The Partnership's investment practices, by their nature, involve a substantial degree of risk. See "CERTAIN RISK FACTORS" and "INVESTMENT PROGRAM." The Offering is made only to certain qualified investors. See "QUALIFICATION OF INVESTORS." Prospective investors should carefully consider the material factors described in "CERTAIN RISK FACTORS," together with the other information appearing in this Memorandum, prior to purchasing any of the Interests offered hereby.

The Partnership is not registered as an investment company under the Investment Company Act of 1940, as amended (the "***Investment Company Act***"), in reliance upon Section 3(c)(1) thereof. As a result of its reliance upon Section 3(c)(1), the Interests may not at any time be owned by more than 100 beneficial owners (as determined under the Investment Company Act).

THE INTERESTS BEING OFFERED HEREBY HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY OTHER JURISDICTION. THE INTERESTS ARE BEING OFFERED ONLY TO "ACCREDITED INVESTORS" AS DEFINED IN RULE 501(A) OF REGULATION D UNDER THE SECURITIES ACT.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE INFORMATION IN THIS MEMORANDUM IS GIVEN AS OF THE DATE ON THE COVER PAGE, UNLESS ANOTHER TIME IS SPECIFIED, AND INVESTORS MAY NOT INFER FROM EITHER THE SUBSEQUENT DELIVERY OF THIS MEMORANDUM OR ANY SALE OF INTERESTS THAT THERE HAS BEEN NO CHANGE IN THE FACTS DESCRIBED SINCE THAT DATE.

THE INTERESTS MAY NOT BE SOLD IN THIS OFFERING WITHOUT DELIVERY OF THIS MEMORANDUM INCLUDING ALL EXHIBITS HERETO.

THIS MEMORANDUM IS FURNISHED TO THE RECIPIENT THEREOF ON A CONFIDENTIAL BASIS SOLELY FOR THE PURPOSE OF EVALUATING THE INVESTMENT OFFERED HEREBY. THE INFORMATION CONTAINED HEREIN MAY NOT BE REPRODUCED OR USED IN WHOLE OR IN PART FOR ANY OTHER PURPOSE. AN INVESTOR OR POTENTIAL INVESTOR IN THE INTERESTS (AND EACH EMPLOYEE, REPRESENTATIVE, OR OTHER AGENT OF SUCH PERSON OR ENTITY) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION, THE TAX TREATMENT AND TAX STRUCTURE OF THE TRANSACTIONS CONTEMPLATED IN THIS MEMORANDUM (AS DEFINED IN UNITED STATES TREASURY REGULATION SECTION 1.6011-4) AND ALL RELATED MATERIALS OF ANY KIND, INCLUDING OPINIONS OR OTHER TAX ANALYSES, THAT ARE PROVIDED TO SUCH PERSON OR ENTITY. HOWEVER, SUCH PERSON OR ENTITY MAY NOT DISCLOSE ANY OTHER INFORMATION RELATING TO SUCH TRANSACTIONS UNLESS SUCH INFORMATION IS RELATED TO SUCH TAX TREATMENT AND TAX STRUCTURE.

THIS MEMORANDUM IS PERSONAL TO THE RECIPIENT THEREOF AND DOES NOT CONSTITUTE AN OFFER TO ANY OTHER PERSON OR TO THE PUBLIC GENERALLY TO SUBSCRIBE FOR OR OTHERWISE ACQUIRE

THE INTERESTS. DISTRIBUTION OF THIS MEMORANDUM TO ANY PERSON OTHER THAN THE RECIPIENT AND THOSE PERSONS, IF ANY, RETAINED TO ADVISE SUCH RECIPIENT WITH RESPECT THERETO IS UNAUTHORIZED, AND ANY DISCLOSURE OF ANY OF THE CONTENTS HEREOF WITHOUT THE PRIOR WRITTEN CONSENT OF THE GENERAL PARTNER IS PROHIBITED. THIS MEMORANDUM AND ANY DOCUMENTS REFERRED TO HEREIN MAY NOT BE FORWARDED, TRANSMITTED, COPIED OR OTHERWISE REPRODUCED BY ANY RECIPIENT HEREOF IN ANY MANNER WHATSOEVER. EACH RECIPIENT AGREES TO THE FOREGOING AND, IF SUCH RECIPIENT DOES NOT PURCHASE ANY INTERESTS OR THE OFFERING THEREOF CONTEMPLATED HEREUNDER IS TERMINATED, TO RETURN TO THE GENERAL PARTNER THIS MEMORANDUM AND ALL DOCUMENTS DELIVERED HEREWITH.

THE INTERESTS ARE SUITABLE ONLY FOR SOPHISTICATED INVESTORS FOR WHICH AN INVESTMENT IN THE PARTNERSHIP DOES NOT CONSTITUTE A COMPLETE INVESTMENT PROGRAM AND THAT FULLY UNDERSTAND AND ARE WILLING TO ASSUME THE RISKS INVOLVED IN THE PARTNERSHIP'S SPECIALIZED INVESTMENT PROGRAM. INVESTMENT IN THE INTERESTS ENTAILS SIGNIFICANT INVESTMENT AND OTHER RISKS, INCLUDING POSSIBLE ADVERSE TAX EFFECTS. PLEASE REFER TO "CERTAIN RISK FACTORS," "POTENTIAL CONFLICTS OF INTEREST" AND "FEDERAL TAX MATTERS" SET FORTH IN THIS MEMORANDUM. INVESTORS SHOULD PURCHASE INTERESTS ONLY IF THEY HAVE THE FINANCIAL ABILITY AND WILLINGNESS TO ACCEPT THE RISKS AND LACK OF LIQUIDITY THAT ARE CHARACTERISTIC OF INVESTMENTS SUCH AS THE INTERESTS. THE INTERESTS ARE SUBJECT TO INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF THE AMOUNT INVESTED.

PROSPECTIVE PURCHASERS ARE NOT TO CONSTRUE THE CONTENTS OF THE MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE GENERAL PARTNER OR ANY OF ITS OFFICERS, EMPLOYEES OR AGENTS AS INVESTMENT, LEGAL OR TAX ADVICE. PRIOR TO INVESTING IN THE INTERESTS, A PROSPECTIVE PURCHASER SHOULD CONSULT WITH ITS ATTORNEY AND ITS INVESTMENT, ACCOUNTING, REGULATORY AND TAX ADVISORS TO DETERMINE THE CONSEQUENCES OF AN INVESTMENT IN THE INTERESTS, AS APPLICABLE, AND ARRIVE AT AN INDEPENDENT EVALUATION OF SUCH INVESTMENT.

This Memorandum does not constitute an offer to sell or the solicitation of an offer to buy the Interests by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

No offering literature or advertising in any form other than this Memorandum and the agreements and documents referred to herein shall be considered to constitute an Offering of the Interests. No person has been authorized to make any representation with respect to the Interests except the representations contained herein. Any representation other than those set forth in this Memorandum and any information other than that contained in documents and records furnished by the Partnership upon request, must not be relied upon. This Memorandum is accurate as of its date, and no representation or warranty is made as to its continued accuracy after such date.

Sales of Interests may be made only to investors deemed suitable for an investment in the Partnership under the criteria set forth in this Memorandum. The Partnership reserves the right, notwithstanding any such offer, to withdraw or modify the Offering and to reject any subscriptions for the Interests in whole or in part for any or no reason.

THE INTERESTS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM AND THE LIMITED PARTNERSHIP AGREEMENT OF THE PARTNERSHIP. THERE IS NO MARKET FOR THE INTERESTS BEING OFFERED HEREBY AND THERE IS NO ASSURANCE THAT ONE WILL DEVELOP. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR A SUBSTANTIAL PERIOD OF TIME.

Prospective investors are invited to meet with their advisors to discuss, and to ask questions and receive answers, concerning the terms and conditions of this Offering of the Interests, and to obtain any additional information, to the extent the General Partner or its delegate possess such information or can acquire it without unreasonable effort or expense, necessary to verify the information contained herein.

NASAA Uniform Disclosure:

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE

ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

ERISA PLAN AND IRA INVESTORS

IN CONNECTION WITH ERISA OR IRA INVESTORS, THE GENERAL PARTNER AND INVESTMENT MANAGER DO NOT (I) ACT OR REPRESENT THAT THEY ARE ACTING, IN A FIDUCIARY CAPACITY TO SUCH INVESTORS AND DO NOT (II) PROVIDE IMPARTIAL "INVESTMENT ADVICE" OR A RECOMMENDATION THAT AN INVESTMENT IN THE PARTNERSHIP IS SUITABLE, ADVISABLE OR APPROPRIATE FOR SUCH AN INVESTOR, WHETHER GENERALLY OR IN LIGHT OF SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES. FURTHERMORE, THE GENERAL PARTNER AND INVESTMENT MANAGER HAVE A FINANCIAL INTEREST IN MANAGING THE PARTNERSHIP AND THEIR INTERESTS MAY CONFLICT WITH THE INTERESTS OF ERISA AND IRA INVESTORS. IN MAKING AN INVESTMENT DECISION, ERISA AND IRA INVESTORS MUST RELY ON THE RECOMMENDATION OF AN INDEPENDENT PLAN FIDUCIARY OR THEIR OWN EXAMINATION OF THE PARTNERSHIP, THE TERMS OF THE OFFERING AND THE RISKS ATTENDANT WITH AN INVESTMENT IN THE PARTNERSHIP.

Florida Residents:

IF SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA, AND YOU PURCHASE SECURITIES HEREUNDER, THEN YOU MAY VOID SUCH PURCHASE EITHER WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY YOU TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THIS PRIVILEGE IS COMMUNICATED TO YOU, WHICHEVER OCCURS LATER.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

R&S Avalanche Infrastructure Fund, LP was organized as a Delaware limited partnership (the "***Partnership***") on May 26, 2023, to operate as a private investment partnership. The Partnership was formed for the purpose of investing in the infrastructure, network, and applications built on the Avalanche blockchain. By acquiring Avalanche network assets, the Partnership will run Avalanche validators to earn incentives directly from the Avalanche network and associated subnetworks.

Rise & Shine Partners, LLC, a Delaware limited liability company, serves as the general partner (the "***GP***" or "***General Partner***") of the Partnership. Under the Partnership's Limited Partnership Agreement (as the same may be amended, supplemented or revised from time to time, the "***Partnership Agreement***"), the GP is primarily responsible for the management of the Partnership.

Pursuant to an investment management agreement entered into among the General Partner, Investment Manager and the Partnership, the General Partner has delegated the investment management responsibilities for the Partnership to Rise & Shine Management, LLC (the "***Investment Manager***" or "***IM***"), an affiliate of the General Partner. The IM is charged by the General Partner with the day-to-day investment of the Partnership's capital.

Neither the GP nor the IM is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***") nor with any state securities regulatory authority as an investment adviser or with the securities division of any state.

The Partnership is seeking to obtain capital commitments ("***Commitments***") from a limited number of sophisticated investors (as described in "SUMMARY OF TERMS," below) in an amount not less than $100,000. Interests are being offered for subscription upon the terms described in this Memorandum. Investors whose subscriptions are accepted will be admitted to the Partnership as limited partners at one or more closings (each, a "***Closing***"), the first of which (the "***Initial Closing***") may be held at any time after the Partnership has obtained Commitments in an aggregate amount of at least Five Million Dollars ($5,000,000).

Investors in the Partnership are subject to (i) a quarterly management fee equal to 0.50% (2.0% annually), payable in advance, of each investor's capital account balance as of the beginning of such calendar quarter; and (ii) a carried interest allocation equal to twenty percent (20%) of distributions of Partnership profits but only after all Limited Partners have received distributions, on a cumulative basis, equal to each such Limited Partner's aggregate unreturned Capital Contributions.

DIRECTORY

The Partnership:	R&S Avalanche Infrastructure Fund, LP c/o Rise & Shine Partners, LLC 1216 Broadway New York, NY 10001
General Partner:	Rise & Shine Partners, LLC 1216 Broadway New York, NY 10001 Tel: (631) 346-6122 Email: andrew@almeidainvestments.com Attn: Andrew Almeida
Investment Manager:	Rise & Shine Management, LLC 1216 Broadway New York, NY 10001 Tel: (631) 346-6122 Email: andrew@almeidainvestments.com Attn: Andrew Almeida
Administrator:	NAV Fund Administration Group NAV Consulting | NAV Cayman | NAV Backoffice 1 Trans Am Plaza Drive, Suite 400 Oakbrook Terrace, IL 60181 P: +1 630-954-1919, P: +1 345-946-5006 F: +1 630-596-8555 F: +1 345-946-5007 F: +1 630-954-2881 Transfer.agency@navconsulting.net
Auditor:	Akram & Associates PLLC 206 High House Road Suite 106 Cary, NC 27513
Legal Advisor:	Riveles Wahab, LLP 60 Broad Street 25th Floor, Suite 2510B New York, NY 10004

SUMMARY OF TERMS OF THE LIMITED PARTNERSHIP AGREEMENT

The following is a summary of certain of the principal terms governing an investment in R&S Avalanche Infrastructure Fund, LP. This summary is not complete and is qualified in its entirety by reference to the more detailed information set forth elsewhere in this Memorandum and by the terms and conditions of the Partnership Agreement, each of which should be read carefully by any prospective investor before investing. Prospective investors are urged to read the entire Memorandum and to seek the advice of their own counsel, tax consultants and business advisors with respect to the legal, tax and business aspects of investing in the Partnership. Capitalized terms used herein and not otherwise defined will have the same meaning as set forth in the Partnership Agreement. If any disclosure made herein is inconsistent with any provision of the Partnership Agreement, the provision of the Partnership Agreement will control.

PARTNERSHIP:	The Partnership was organized as a Delaware limited partnership on May 26, 2023, to operate as a private investment partnership.
GENERAL PARTNER:	The GP of the Partnership is Rise & Shine Partners, LLC, a Delaware limited liability company. Under the Partnership Agreement, the General Partner is primarily responsible for management of the Partnership. The General Partner will manage the day-to-day affairs of the Partnership and perform certain administrative functions for the Partnership.
INVESTMENT MANAGER:	Pursuant to an investment management agreement entered into among the General Partner, Investment Manager and the Partnership, the General Partner has delegated the investment management responsibilities for the Partnership to Rise & Shine Management, LLC, an affiliate of the General Partner. The IM is charged by the General Partner with the day-to-day investment of the Partnership's capital. Neither the GP nor the IM is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***") nor with any state securities regulatory authority as an investment adviser or with the securities division of any state.
OFFERING:	The Partnership is offering its limited partnership interests (the "***Interests***") for sale pursuant to this Memorandum. The Partnership may establish other classes and/or series of interests in the Partnership with rights, terms and protections that differ from those set forth herein.
ELIGIBLE INVESTORS:	Interests in the Partnership are being offered under Section 3(c)(1) of the Investment Company Act for investment by up to 100 persons who are (i) "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act, and (ii) "qualified clients" as defined in Rule 205-3 under the Advisers Act, who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Partnership. The GP intends to solicit and advertise interests in the Partnership to the public under Section 506(c) of Regulation D of the Securities Act. All Limited Partners will be required to verify their status as accredited investors through the provision of two years of tax or wage statements, brokerage or bank statements, confirmation by certain third parties, or certain other methods deemed acceptable by the GP. The Interests will not be registered under the Securities Act or the securities laws of any state or any other jurisdiction, nor is any such registration contemplated. An investment in the Partnership will be suitable only for investors who have adequate means of providing for current needs and personal contingencies, can bear the economic risk of the investment, and have no need for liquidity in the investment. Investors will be required to make representations to the foregoing effect to the Partnership as a condition to acceptance of their subscription.

	Rule 506(d) of Regulation D of the Securities Act provides for disqualification of a Rule 506 offering in the event a beneficial owner of 20% or more of the Partnership's interests are owned by a Limited Partner involved in a "disqualifying event" such as in connection with the sale of securities, within the securities industry or with the SEC (a "***Bad Actor Event***"). A prospective investor subject to a Bad Actor Event may be denied admittance to the Partnership in the General Partner's sole discretion. An existing Limited Partner must inform the General Partner immediately upon being subject to a Bad Actor Event. The General Partner may remove such Limited Partner from the Partnership at its sole discretion. See "QUALIFICATION OF INVESTORS" below for specific Limited Partners eligibility requirements.
MINIMUM COMMITMENT:	The minimum Commitment for a Limited Partner is $100,000. Commitments of lesser amounts may be accepted at the discretion of the General Partner.
CLOSINGS/NAV:	An initial Closing of the offering (the "***Initial Closing***") may be held at any time after the Partnership has received total Commitments of at least Five Million Dollars ($5,000,000). Thereafter, additional Closings (each, a "***Subsequent Closing***") may be held at the discretion of the General Partner. All Closings will be completed eighteen (18) months from the date of the Initial Closing (such date, the "***Final Closing***"). Investors contributing capital at the Initial Closing and Subsequent Closings will be allocated to the then "***Net Asset Value***" or "***NAV***" of the Partnership. The NAV will be calculated as follows: the total fair market value of Partnership assets, both realized and unrealized, less any liabilities, expenses and reserves maintained to offset reasonably anticipated losses. Each Limited Partner's share of the Net Asset Value of the Partnership is determined by multiplying (i) the sum of the value of the Investments held by the Partnership plus any cash or other assets (including interest accrued but not yet received) minus all liabilities (including accrued expenses), by (ii) the Limited Partner's Allocation Percentage. The General Partner may, in its sole discretion, "close" the Partnership, at any time by refusing to (i) allow the admission of new Limited Partners and/or (ii) accept additional Capital Contributions by existing Limited Partners, without notice to the Limited Partners. Notwithstanding the foregoing, the General Partner may reopen the Partnership as of any date.
DRAWDOWNS:	Drawdowns will be made (and Partnership investments apportioned) *pro rata* based on the Limited Partners' respective unfunded Commitments, with a minimum of ten (10) business days' prior written notice to the Limited Partners to contribute such capital (each, a "***Capital Contribution***"); *provided* that capital contributions required by the General Partner to be made at the admission date applicable to any Limited Partner shall not require any prior notice to such Limited Partner. Each Limited Partner will be required to make capital contributions of such Limited Partner's unfunded Commitment, at such times, and in such amounts, as deemed appropriate by the General Partner. Pending their application to investments (and contributions with respect thereto), the General Partner will draw down one hundred percent (100%) of a Limited Partner's Commitment at the Initial Closing. Amounts drawn down, whether to fund investments and related portfolio contributions or Partnership Expenses, will reduce a Partner's unfunded Commitment. All capital drawn down by the Partnership (including drawdowns attributable to additional investments from new and existing Partners) shall be invested at the current Net Asset Value of the Partnership.
DEFAULT ON COMMITMENTS:	A Limited Partner that defaults in any required payment in respect of its Commitment (a "***Defaulting Limited Partner***") will be subject to certain adverse consequences, as set forth in detail in the Partnership Agreement, including a fifty percent (50%) reduction in such Limited Partner's Capital Account for each act of default, or a smaller reduction as determined by the General Partner, in its sole discretion.
TERM:	The Partnership will **terminate three (3) years from the Initial Closing**, unless terminated prior to such date pursuant to the provisions of the Partnership Agreement or extended upon the agreement of a Super Majority in Interest of the Voting Limited

	Partners (as defined in the Partnership Agreement) for up to **two (2) consecutive one-year periods**.
DRAWDOWN PERIOD:	Capital calls may be made from time to time for a period of twenty-four (24) months from the Initial Closing (the "***Drawdown Period***"). Thereafter, the Limited Partners will be released from any further obligation with respect to their unfunded Commitments, except to the extent necessary to: (a) cover Partnership Expenses; (b) complete investments by the Partnership in respect of transactions committed to prior to the end of the Drawdown Period; and (c) make additional post Drawdown Period investments in existing Portfolio Investments for add-on acquisitions or other capital needs.
MANAGEMENT FEE:	In consideration for its services, the Investment Manager receives a management fee (the "***Management Fee***") paid quarterly in advance equal to 0.50% (2% *per annum*) of the beginning Capital Account balance of each Limited Partner for such calendar quarter. A *pro rata* portion of the Management Fee will be paid out of any initial or additional Capital Contributions to the Partnership on any date that does not fall on the first day of a calendar quarter, based on the number of days remaining in such partial calendar quarter. No portion of the Management Fee will be refunded in connection with any distributions from a Limited Partner's Capital Account occurring prior to the end of a calendar quarter.
DISTRIBUTIONS/CARRIED INTEREST DISTRIBUTION:	Subject to certain limitations set forth in the Partnership Agreement, unless otherwise reinvested at any time as determined by the General Partner in its sole discretion, the Partnership shall make distributions of Distributable Cash, as defined below, to the extent constituting (i) proceeds of a Disposition of a Portfolio Investment, (ii) income, dividends, distributions, or interest from a Portfolio Investment and (iii) income from Temporary Investments (as defined in the Partnership Agreement), in each case in the order of priority set forth below: (a) **Return of Capital:** First, 100% to such Limited Partner until distributions to such Limited Partner of Distributable Cash on a cumulative basis pursuant to this clause (a) equal such Limited Partner's aggregate unreturned Capital Contributions; (b) **80/20 Split:** Any balance thereafter (i) 20% to the General Partner and (ii) 80% to such Limited Partner. Amounts distributed to the General Partner pursuant to clause (b) are referred to in this Memorandum as the "Carried Interest Distribution." "*Distributable Cash*" means all cash received by the Partnership relating to the Portfolio Investments other than Capital Contributions, including, without limitation, income, dividends, distributions, interest and proceeds from the Disposition of a Portfolio Investment and any other miscellaneous receipts or revenues of the Partnership related directly to Portfolio Investments held by the Partnership or other cash of the Partnership other than Capital Contributions. "*Disposition"* means, with respect to any Portfolio Investment, (a) the sale, exchange or other disposition by the Partnership of all or any portion of that Portfolio Investment for cash or in exchange for marketable Digital Assets that are distributed to the Partners, (b) the distribution in kind of all or any portion of that Portfolio Investment as permitted hereby or (c) a write-off of such Portfolio Investment.
TIMING OF DISTRIBUTIONS:	Distributable Cash and income from Portfolio Investments may be reinvested or distributed by the Partnership at any time as determined by the General Partner in its sole discretion. Notwithstanding the foregoing, the General Partner will be entitled to withhold from any distributions, in its discretion, appropriate reserves for expenses and liabilities of the Partnership as well as for any required tax withholdings. Amounts withheld for taxes will be treated as distributions for purposes of the calculations

	described above. Any amounts allocated to the General Partner as Carried Interest Distributions may be distributed to the General Partner immediately thereafter.
TAX DISTRIBUTIONS:	The Partnership may, in the General Partner's sole discretion, make an annual cash tax distribution to each Partner, including the General Partner, in an amount intended to provide such Partner with cash to pay its U.S. federal, state and local income and franchise taxes on the profit allocated and not distributed to such Partner during such year. Any distributions otherwise to be made to such Partner from the Partnership will be reduced by the amount of any such tax distributions made to such Partner. In determining such tax liabilities, it is assumed that each Partner is subject to the Assumed Tax Rate (as defined below). Such distributions shall reduce the distributions such Partner is otherwise entitled to. "Assumed Tax Rate" means the highest applicable effective marginal combined United States federal, state and local income tax rate prescribed for an individual resident in the city in which the Partnership's principal office is located at the time of determination, taking into account the character of the allocated income, the rates applicable to income of the relevant character and the deductibility of state and local taxes for federal income tax purposes.
PROFITS AND LOSSES:	All items of income, gain, loss and deduction will be allocated to the Partners' capital accounts in a manner generally consistent with distribution procedures outlined under "Distributions" above.
RETURN OF DISTRIBUTIONS:	Distributions related to the disposition of any Portfolio Investment will be subject to recontribution to the Partnership to the extent necessary to fund any post-closing indemnification obligations undertaken by the Partnership in connection with such disposition. In addition to certain other specific limitations in the Partnership Agreement, in no event will any Limited Partner be obligated to recontribute (i) more than 50% of the cumulative distributions received by such Limited Partner from the Partnership and (ii) any amounts after the two-year anniversary of the Partnership's liquidation.
EXPENSES:	Organizational Expenses. All expenses of the Offering and organization of the Partnership (including legal and other expenses) ("***Organizational Expenses***") will be paid by the General Partner and/or Investment Manager. Partnership Expenses. The Partnership shall pay (or reimburse the General Partner and Investment Manager) for all ordinary and reasonable operating and other expenses necessary for the Partnership's operations, including, but not limited to, investment-related expenses (*e.g.*, exchange and brokerage commissions, exchange deposit and withdrawal fees, clearing and settlement charges, custodial fees, interest expenses, expenses relating to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to investments, appraisal fees and expenses); research costs and expenses (including fees for news, quotation and similar information and pricing services); legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings and all costs and expenses related to or incurred in connection with the Partnership's compliance obligations under applicable federal and/or state securities and investment adviser laws, as well as extraordinary legal expenses, such as those related to litigation or regulatory investigations or proceedings); the Management Fee; accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); other governmental charges or fees payable by the Partnership; costs of printing and mailing reports and notices; and other similar expenses related to the Partnership, as the General Partner determines in its sole discretion (together, "***Partnership Expenses***"). General Partner and Investment Manager Expenses. In addition to the Organization Expenses, the General Partner and Investment Manager will pay for their own administrative and overhead expenses incurred in connection with providing services to the Partnership. These expenses include all expenses incurred by the General Partner and Investment Manager in providing for their normal operating overhead, including, but not limited to, the cost of providing relevant support and administrative services (*e.g.,* employee compensation and benefits, rent, office equipment,

	insurance, utilities, telephone, secretarial and bookkeeping services, etc.), but not including any Partnership operating expenses described above.
ALLOCATION OF INVESTMENT OPPORTUNITIES:	The General Partner and the respective affiliates will use commercially reasonable efforts to ensure that investment opportunities that are suitable for the Partnership will be allocated among the Partnership, any parallel funds, and any other client accounts managed by the General Partner and the respective affiliates in a manner that gives the Partnership and any parallel funds priority over such other client accounts.
TRANSFER OF INTERESTS AND WITHDRAWAL:	A Limited Partner may not sell, assign or transfer any Interest in the Partnership without the prior written consent of the General Partner, which the General Partner may grant or withhold in its sole and absolute discretion. Further, a Limited Partner may not withdraw any amount from the Partnership.
REMOVAL OF GENERAL PARTNER:	In the event the General Partner has been convicted of fraud, embezzlement or a similar felony involving misappropriation of funds in connection with the business of the Partnership or any Portfolio Investment, or has materially breached its obligations under the Partnership Agreement (including a material breach of its fiduciary obligations thereunder), then the General Partner may be removed and replaced by a new general partner by Limited Partners holding at least 80% of the Limited Partner interests (excluding Limited Partnership interests affiliated with the General Partner). Any such removal shall be effective upon 90 days' notice to the General Partner unless the reason therefor is commission of any act of fraud or willful misconduct, in which case it shall be effective immediately. The removed General Partner's interest in the Partnership will thereupon convert to a non-voting interest in the Partnership of a Limited Partner, having the same interests in profits, losses and allocations as were attributable to the General Partner's interest, but with only such other rights as are held by Limited Partners owning non-voting interests.
LIMITATION OF LIABILITY:	The Partnership Agreement provides that the General Partner, IM and its affiliates, shareholders, members, partners, managers, directors, officers and employees and the legal representatives of all of them (collectively the "***Affiliated Persons***") shall not be liable, responsible nor accountable in damages or otherwise to the Partnership or any Partner, or to any successor, assignee or transferee of the Partnership or of any Partner, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on the General Partner and IM by the Partnership Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by the General Partner and IM of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Partnership; (iii) the negligence, dishonesty, bad faith, or other misconduct of any consultant, employee, or agent of the Partnership, including, without limitation, an affiliate of the General Partner or IM, selected or engaged by the General Partner or IM with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith, or other misconduct of any person in which the Partnership invests or with which the Partnership participates as a partner, joint venturer, or in another capacity, which was selected by the General Partner or IM with reasonable care and in good faith. Limited Partners will be obligated to return amounts distributed to them to fund Partnership indemnity obligations (without regard to their Commitments), subject to certain limitations.
CUSTODY:	The amounts paid by an investor to the Partnership shall be placed directly in an account with one or more financial institutions selected by the General Partner, under appropriate arrangements. The private keys that control the ownership and control of the Digital Assets may be stored and custodied by a third-party Digital Asset custodian, including but not limited to Fireblocks LLC. Such third-party custodian may or not be registered as a qualified custodian for purposes of Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended. In addition, the General Partner may maintain custody of some or all of

	the Partnership's Digital Assets by (i) generating the private keys that control movement of the various Digital Assets (ii) maintaining custody of the Partnership's Digital Assets in a "cold wallet," either through paper or hardware cold storage, or by (iii) storing the Partnership's Digital Assets in "hot wallets", including "hot wallets" on one or more regulated or unregulated, United States or foreign, centralized or decentralized digital asset exchange ("***Digital Asset Exchanges***"). The foregoing shall not, however, limit the General Partner in any way from utilizing Digital Asset custody standards and practices that may exist in the future. The General Partner is responsible for taking such steps as it determines, in its sole judgment, to be required to maintain access to these keys, and prevent their exposure from hacking, malware and general security threats. The General Partner is not liable to the Partnership or to Limited Partners for the failure or penetration of the security system absent gross negligence, fraud or criminal behavior on the part of the General Partner. Maintaining Digital Assets on deposit or with any third party in a custodial relationship has attendant risks. These risks include security breaches, risk of contractual breach, and risk of loss. Limited Partners should be aware that the Partnership may allow third parties to hold its property, and this may result in the occurrence of any of the aforementioned risks.
REPORTS / AUDIT:	The Partnership's books of account will be audited at the end of each fiscal year by a firm of certified public accountants selected by the General Partner. Books of account will generally be kept by the Partnership, in accordance with GAAP. The General Partner will furnish audited financial statements to all Limited Partners within 120 days, or as soon thereafter as is reasonably practicable, following the conclusion of each fiscal year, although the General Partner may elect to postpone the first audit of the Partnership's annual financial statements until the completion of the Partnership's first full fiscal year, in which case the initial audit will cover the applicable fiscal year as well as the partial "stub" year in which the Partnership commenced operation. In addition, all Limited Partners will receive the information necessary to prepare federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical. Each Limited Partner will also receive unaudited reports of Partnership activity on a quarterly basis (including all gains and losses in each Limited Partner's Capital Account and the Net Asset Value of such Capital Account) and such other information as the GP determines. The GP will not be required to provide information with regard to specific investment transactions of the Partnership.
TAX CONSIDERATIONS:	The taxation of partnerships is extremely complex. Each prospective Investor is advised to consult its own tax advisor as to the tax consequences of an investment in the Partnership. See "CERTAIN INCOME TAX CONSIDERATIONS."
CERTAIN ERISA CONSIDERATIONS:	The General Partner will use its reasonable best efforts to limit investment in the Partnership by pension and retirement plans governed by the Employee Retirement Income Security Act of 1974, as amended ("***ERISA***"), as well as certain governmental pension plans, IRAs and similar benefit plans to less than 25%, so that the assets of the Partnership will not be considered "plan assets" of any plan subject to ERISA. Investors subject to ERISA should consult with their own advisors as to the consequences of making an investment in the Partnership.
RISK FACTORS:	An investment in the Partnership involves substantial risk, including the risk of loss of a substantial portion, or all, of a Limited Partner's investment and certain conflicts of interest. See "CERTAIN RISK FACTORS" and "POTENTIAL CONFLICTS OF INTEREST" for a more detailed discussion of the risks of an investment in the Partnership.
CONFLICTS OF INTEREST:	The General Partner, the Principals and/or other Affiliated Persons may manage and render services to other private investment entities and accounts, some of which have investment programs that are substantially similar or identical to the Partnership's investment program. As a result, the Affiliated Persons may allocate their time, as well as investment opportunities, between the Partnership and such other entities or accounts. The Affiliated Persons are required to devote only such amount of time to the Partnership as they, in their discretion, deem necessary, and may also devote a

	substantial portion of their time and attention to other entities, accounts, investments and activities. See “POTENTIAL CONFLICTS OF INTEREST” for a more detailed discussion.
FISCAL YEAR:	The Partnership’s fiscal year shall end on December 31.
AMENDMENT OF THE PARTNERSHIP AGREEMENT:	The Partnership Agreement provides that the General Partner has the right to amend the Partnership Agreement, among other things, for the purpose of enabling the Partnership to comply with its obligations under any statute, rule or regulation pertaining to taxation of the Partnership or the Partners, to cure any ambiguity or correct any printing, stenographic or clerical errors or omissions, and to the extent necessary to cause the provisions of this Agreement to conform to the requirements of the Investment Advisers Act of 1940, as amended (the “***Advisers Act***”), applicable to contracts between investment advisers registered under such Act and their clients; provided that such amendments do not adversely affect any of the Limited Partners. Investors should note that Limited Partners have no voting rights except in very limited and specific situations.
ADMINISTRATOR:	The Partnership’s administrative services will be provided by NAV Consulting, Inc. The GP reserves the right to use other and/or additional firms for the Partnership’s administration services.
AUDITOR:	The Partnership’s independent certified public accountant is Akram & Associates PLLC. The GP reserves the right to use other and/or additional firms for the Partnership’s audit services.
LEGAL COUNSEL:	Riveles Wahab LLP act as legal counsel to the General Partner and the Partnership in connection with the organization of the Partnership and the offering of Interests and does not represent Limited Partners in any capacity.
SUBSCRIPTION PROCEDURE:	Persons interested in subscribing for Interests will be furnished and will be required to complete and return to the General Partner, a Subscription Agreement and certain other subscription documents. See “SUBSCRIPTION FOR AN INTEREST.”

INVESTMENT PROGRAM

Investment Strategy and Overview

The Partnership was formed for the purpose of investing in the infrastructure, network, and applications built on the Avalanche blockchain. By acquiring Avalanche network assets, the Partnership will run Avalanche validators to earn incentives directly from the Avalanche network and associated subnetworks.

Partnership Investments

More generally, investments of the Partnership will be comprised of a portfolio of tokens, assets, and applications operating on, or integrated with, the Avalanche blockchain ecosystem, owned directly or through special purpose investment vehicles owned by the Partnership, as well as simple agreements for future equity, simple agreements for future tokens as well as other investments in the digital asset space broadly defined (together, "***Digital Assets***"). The Partnership may also lend, stake or otherwise engage in yield farming activities with Digital Assets. The Partnership may also take equity positions in businesses building institutional use-case applications on Avalanche and hedge positions using options. In addition, the Partnership will reserve the ability to act as an exchange liquidity provider in unique circumstances where the rewards from providing liquidity outweigh the risks. Each investment of the Partnership shall be referred to as a "***Portfolio Investment***" or "***Investment***".

Borrowing

The GP does not expect to utilize leverage as a part of the Partnership's investment program.

MANAGEMENT OF THE PARTNERSHIP

Rise & Shine Partners, LLC, a Delaware limited liability company, serves as the GP of the Partnership. Under the Partnership Agreement, the GP is primarily responsible for the management of the Partnership. The office of the GP is located at 1216 Broadway, New York, NY 10001 and its telephone number is (631) 346-6122.

The General Partner has delegated the investment management responsibilities for the Partnership to Rise & Shine Management, LLC, a Delaware limited liability company (the "***Investment Manager***" or "***IM***"), and an affiliate of the General Partner. The IM is charged by the General Partner with the day-to-day investment of the Partnership's capital.

Neither the GP nor the IM is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***") nor with any state securities regulatory authority as an investment adviser or with the securities division of any state.

Andrew Almeida

Andrew Almeida is a co-founder and Manager of the Investment Manager and the General Partner. Andrew is a CFA Charterholder with 15 years of multi-asset class investment experience. He has worked at JPMorgan, Advisors Asset Management, City National Bank, and as a private consultant to family offices and fund managers.

Anthony Almeida

Anthony Almeida is a co-founder of the Investment Manager and the General Partner. Anthony has 20 years of experience as an IT professional and network engineer. His experience includes time working in IT teams at New York Life, Canon, and independent IT services companies where he worked on bank conversions and IT upgrades for Washington Mutual and Morgan Stanley.

CERTAIN RISK FACTORS

An investment in the Partnership involves a number of significant risks. The risk factors set forth below are those that, at the date of this Memorandum, the General Partner deem to be the most significant. The following is not intended to be a complete description or an exhaustive list of risks. Other factors ultimately may affect an investment in the Partnership in a manner and to a degree not now foreseen. Prospective investors should carefully consider, in addition to the matters set forth elsewhere in this Memorandum, the risks discussed below. An investment in the Partnership should form only a part of a complete investment program, and an investor must be able to bear the loss of its entire investment. Prospective investors should also consult with their own financial, tax and legal advisors regarding the suitability of this investment.

ALL REFERENCES HEREIN TO THE INVESTMENT OPERATIONS OF THE PARTNERSHIP SHALL REFER TO SUCH ACTIVITIES AS DIRECTED BY THE INVESTMENT MANAGER IN ACCORDANCE WITH THE INVESTMENT AUTHORITY CONFERRED ON IT PURSUANT TO THE INVESTMENT MANAGEMENT AGREEMENT ENTERED INTO BETWEEN THE PARTNERSHIP, GENERAL PARTNER AND INVESTMENT MANAGER.

Digital Assets

Risks associated with Blockchain Protocols. As Digital Assets are based on blockchain protocols, any malfunction, breakdown or abandonment of the protocol or other technological difficulties may have a material adverse effect on or prevent access to or use of Digital Assets. These include, but are not limited, to the non-exhaustive list set out below:

(a) ineffectiveness of the informal groups of developers contributing to the protocols;

(b) ineffectiveness of the network validators (“miners” or “block producers”) and/or of the consensus mechanisms to secure a blockchain network against confirmation of invalid transactions;

(c) disputes among the developers or validators;

(d) changes in the consensus or validation schemes that underlie a blockchain network, including but not limited to shifts between so-called “proof of work” and “proof of stake” schemes which negatively affects the blockchain network;

(e) the failure of cybersecurity controls or security breaches of a blockchain network;

(f) undiscovered technical flaws in a blockchain network;

(g) the development of new or existing hardware or software tools or mechanisms that could negatively impact the functionality of the systems;

(h) decrease in value of digital assets associated with a blockchain network; and

(i) infringement of intellectual property rights by a blockchain network’s participants.

Further, advances in cryptography or technical advances such as the development of quantum computing, could present risks to the Digital Assets and blockchain networks.

Immutable Digital Asset Transactions. Blockchain is a chronologically ordered, ledger of all validated transactions across certain cryptonetworks. It is shared among users for each applicable cryptonetwork. Each “block” in the “chain” contains a confirmed transaction. Just as the blockchain creates a public record of certain cryptonetwork transactions, it also creates an immutable one. Transactions that have been verified, and thus recorded as a block on the blockchain, generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user’s cryptocurrencies, the transaction is not reversible.

The blockchain may be susceptible to hacking or other attacks that seek to manipulate the ledger. Blockchains that are less established or not as widely used are typically more susceptible to these types of attacks. In the event of one of these attacks the holding of the Partnership may lose assets which they may not be able to restore through corrective action and such losses would negatively affect the Partnership.

Third-Party Wallet Providers. The Partnership may use third-party wallet providers to hold Digital Assets. The Partnership may have a high concentration of its Digital Assets in one location or with one third-party wallet provider, which may be prone to losses arising out of hacking, loss of passwords, compromised access credentials, malware, or cyber-attacks. The Partnership may, however, employ other systems to safeguard Digital Assets holdings, such as "cold storage" or "deep storage," which will increase the time required to access certain cryptocurrency, and may, therefore, delay liquidation of the Partnership's Digital Assets or payment of withdrawal proceeds, which could have a material, adverse effect on the net asset value of the Partnership. The systems in place to secure the Digital Assets may not prevent the improper access to, or damage or theft of the Partnership's Digital Assets.

Adoption of Blockchain Technology. The growth of blockchain and of the digital assets industry is subject to a high degree of uncertainty. If any of the events set out below occur, it may hinder the further development of the industry, the blockchain networks underlying the Digital Assets/tokens and decrease their popularity or level of acceptance, which would adversely affect the Digital Assets/tokens and indirectly any investments in such assets:

(a) if the growth in the adoption and use of blockchain technologies worldwide slows down or stops;

(b) if there is government and quasi-government imposes regulation on native blockchain assets and other blockchain assets and their use, or imposes restrictions on or regulation of access to and operation of blockchain networks or similar systems;

(c) if there is decreased maintenance and development of the open-source software protocol of the blockchain network;

(d) changes in consumer demographics, public tastes and preferences which may result in a decrease in the popularity of the blockchain networks and associated Digital Assets; and

(e) the availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks may reduce the effectiveness of blockchain networks.

Failure of Blockchain Projects. Blockchain technologies, cryptocurrencies, tokens and token sales are rapidly evolving areas from a regulatory, technology and utility perspective. Due to the technically complex nature of the blockchain networks and platforms created by new projects and companies, they may from time to time face unforeseeable and/or unresolvable difficulties. Accordingly, the development of the blockchain networks/ platforms could fail, terminate or be delayed at any time for any reason (including, but not limited to, the lack of funds). Such development failure or termination may render the Digital Assets untransferable, or reduced or with no utility and/or obsolete.

Risks Related to Open-Source Networks. Open-source blockchain networks use a cryptographic protocol to govern the peer-to-peer interactions between computers. The code that sets forth the protocol is typically informally managed by a development team known as the core developers. Some of the inherent risks include:

(a) the core developers may propose amendments to a network's source code through software upgrades that alter the protocols and software of the network and the properties of the underlying cryptocurrency or token. To the extent that a significant majority of the users on a network install such software upgrade, the network would be subject to new protocols and software that may adversely affect its value;

(b) the open-source structure of a network protocol means that the core developers and other contributors are generally not directly compensated for their contributions in maintaining and developing the network protocol. A failure to properly monitor and upgrade the network protocol could damage a network. A network operates based on an open-source protocol maintained by the core developers and other contributors. As the network protocol is not sold and its use does not generate revenues for its development team, the core developers are generally not compensated for maintaining and updating the network protocol. Consequently, there is a lack of financial incentive for developers to maintain or develop the blockchain network and the core developers may lack the resources to adequately address emerging issues with the network protocol. Although the network is currently supported by the core developers, there can be no guarantee that such support will continue or be sufficient in the future. To the extent that material issues arise with the network protocol and the core developers and open-source contributors are unable to address the issues adequately or in a timely manner, this may adversely affect the value of the network and therefore the cryptocurrencies or tokens issued; and

(c) the source codes may contain bugs, defects, inconsistencies, flaws or errors which may disable some functionality, create vulnerabilities or cause instability in the network. Such flaws may adversely affect the predictability, usability, stability and/or security of Digital Assets.

Risk Associated with Markets for Digital Assets. If trading of Digital Assets is facilitated by third party exchanges, such Digital Asset Exchanges may be relatively new and subject to little or no regulatory oversight, making them susceptible to fraud or manipulation. Cryptocurrencies/ tokens are not legal tender and are not backed by any government, and to the extent that third parties do ascribe to a Cryptocurrency Exchange to value Digital Assets (for example, as denominated in a fiat or other cryptocurrency), such value may be extremely volatile and may diminish to zero. "***Cryptocurrency Exchange***" means an electronic marketplace where exchange participants may trade, buy and sell cryptocurrencies, based on bid-ask trading. Digital Asset Exchanges (e.g., Coinbase, Kraken, Gemini, Bitfinex, Binance, Bitstamp, Huobi and OKX) are online and generally trade on a twenty-four (24) hour basis, publishing transaction price and volume data.

Stablecoins and Legislative Developments. Stablecoins have characteristics similar to "fiat" currency but can be distinguished from "fiat" currency, which is issued and backed by a sovereign government. Stablecoins are not issued by any government, bank or central organization but are supported in various ways. Stablecoins may be backed by "fiat" currencies, backed by Digital Assets, backed by collateral other than "fiat" currencies and Digital Assets, or backed by no assets but rather stabilized pursuant to an algorithm. Each type of stablecoin has different risks associated with it, whether it be trust in a third party or trust in code that ensures price stability. In 2020, the U.S. House of Representatives introduced two bills related to stablecoins. First, the Crypto-Currency Act of 2020 would assign federal regulators to each type of Digital Asset. Such regulators would be required to make available to the public and keep current a list of all federal licenses, certifications, or registrations required to create or trade in Digital Assets. Under the bill, the U.S. Secretary of the Treasury, through FinCEN, would be required to establish rules similar to those applicable to financial institutions regarding the ability to trace cryptocurrency transactions and persons engaging in such transactions. The CFTC and SEC would also have new authority to regulate "crypto-securities" and "crypto-commodities," respectively, as defined under the law. The second, the Stablecoin Tethering and Bank Licensing Enforcement Act ("***STABLE Act***"), specifically addresses stablecoins rather than identifying and regulating various types of cryptocurrencies. Under the STABLE Act, stablecoin issuers would be required to obtain a bank charter, obtain membership to the Federal Reserve System, and be an insured depository institution. In addition, a stablecoin issuer would be subject to certain disclosures, "ongoing analysis" reporting requirements, requirements that redemptions of stablecoin be made in U.S. dollars, and certain collateral requirements. Additionally, under the STABLE Act, stablecoin issuers and any parties that offer or provide a product or service with respect to stablecoin would be required to clearly disclose whether they are the original issuer of the stablecoin. Such legislation and subsequent changes thereof may cause a burden on the General Partner and/or the Partnership, and any delinquencies under these evolving regulatory and legislative regimes may adversely affect the Partnership.

Market Risk. The Partnership's performance may be volatile. A principal risk in investing in cryptocurrencies is the rapid fluctuation of its market price. High price volatility undermines the cryptocurrencies roles as a medium of commercial exchange as retailers are much less likely to accept it as a form of payment. The value of the Partnership relates directly to the value of the cryptocurrencies held in the Partnership, and fluctuations in the price of cryptocurrencies could adversely affect the net asset value.

Buying or Selling Digital Assets. The Partnership may transact with private buyers or sellers or virtual Digital Asset Exchanges. The Partnership will take on credit risk every time it purchases or sells cryptocurrencies, and its contractual rights with respect to such transactions may be limited. Although transfers of cryptocurrencies or cash by the Partnership will be made to or from a counterparty which the IM and/or GP believes is trustworthy, it is possible, that through computer or human error or through theft or criminal action, the Partnership's cryptocurrencies or cash could be transferred in incorrect amounts or to unauthorized third parties. To the extent that the Partnership is unable to seek a corrective transaction with such third party or is incapable of identifying the third party which has received the Partnership's cryptocurrencies or cash through error or theft, the Partnership will be unable to recover incorrectly transferred cryptocurrencies or cash, and such losses will negatively impact the Partnership.

Incentivisation of Miners. In respect of any mined cryptocurrency, if the award of Digital Asset for solving blocks and transaction fees for recording transactions are not sufficiently high to incentivize miners, miners may cease expending processing power to solve blocks and confirmations of transactions on the blockchain could be slowed temporarily. A reduction in the processing power expended by miners on a blockchain network could increase the likelihood of a malicious actor or botnet obtaining control. If the award of new bitcoins for solving blocks declines and transaction fees are not sufficiently high, miners may not have an adequate incentive to continue mining and may cease their mining operations. Miners ceasing operations would reduce the collective processing power on the network, which would adversely affect the confirmation process for transactions (i.e., temporarily decreasing the speed at which blocks are added to the blockchain until the next scheduled adjustment in difficulty for block solutions) and make the network more vulnerable to a malicious actor or botnet obtaining control in excess of fifty percent (50%) of the processing power on the network - this would allow such actor or botnet to manipulate the blockchain and hinder transactions. Any reduction in confidence in the confirmation process or processing power of the network may adversely affect the value of the

Digital Assets. The extent to which the value of a Digital Asset mined by a professional mining operation exceeds the allocable capital and operating costs determines the profit margin of such operation, it may be more likely to sell a higher percentage of its newly mined Digital Asset rapidly if it is operating at a low profit margin, and it may partially or completely cease operations if its profit margin is negative. In a low profit margin environment, a higher percentage of the new Digital Asset mined each day will be sold more rapidly, thereby reducing Digital Asset prices. Lower Digital Asset prices will result in further tightening of profit margins, particularly for professional mining operations with higher costs and more limited capital reserves, creating a net effect that may further reduce the price of Digital Asset until mining operations with higher operating costs become unprofitable and remove mining power from the network. The net effect of reduced profit margins resulting in greater sales of newly mined Digital Asset could result in a reduction in the price of Digital Asset.

Increase in Recording Fees. If fees increase for recording transactions in the blockchain, demand for Digital Asset may be reduced and prevent the expansion of the network to retail merchants and commercial businesses.

Development of Forks. The acceptance of network software patches or upgrades by a significant percentage of the users and miners in the network could result in a "fork" in the blockchain, resulting in the operation of two separate networks. Any individual can download a network software and make any desired modifications, which are proposed to users and miners on the network through software downloads and upgrade. A substantial majority of users must consent to such software modifications by downloading the altered software or upgrade; otherwise, the modifications do not become a part of the network. If, however, a proposed modification is not accepted by a vast majority of miners and users, but is nonetheless accepted by a substantial population of participants in the network, a "fork" could develop, resulting in two separate networks. If a permanent fork were to occur, there is a possibility that the Digital Asset would evolve into two slightly different versions. For example, in 2016 Ethereum experienced a permanent fork in its blockchain that resulted in two slightly different versions of the digital currency. Community-led efforts to merge were not successful and this led to the development of two versions of Ethereum: Ethereum and Ethereum Classic. A permanent fork may materially and adversely affect investors.

Intellectual Property Rights Claims. Intellectual property rights claims may adversely affect the operation of a network. Third parties may assert intellectual property rights claims relating to the operation of digital assets and their source code relating to the holding and transfer of such assets. Regardless of the merit of any intellectual property or other legal action, any threatened action that reduces confidence in the network's long-term viability or the ability of end-users to hold and transfer the Digital Asset may adversely affect an investment in the Interests.

Price Manipulation. The number of Digital Assets traded for a given network and the number of venues available for trading may be very low, making the market price of the Digital Assets more easily manipulated. While the risk of market manipulation exists in connection with the trading of any security, the risk may be greater for Digital Assets because in some cases so few Digital Assets are available for trading. Likewise, the venues available for trading Digital Assets i.e., Digital Asset Exchanges may be limited and become unavailable due to legal, technological or business requirements.

Liquidity Risk. Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing the Partnership from selling out of these illiquid investments at an advantageous price.

Risk Associated with Smart Contracts and Decentralized Finance (DeFi). The Partnership may invest and engage in automated protocols that function via Smart Contracts. A Smart Contract is a self-executing contract with the terms of the agreement between buyer and seller being directly written into lines of code. The code and the agreements contained therein exist across a distributed, decentralized blockchain network. The code controls the execution, and transactions are trackable and irreversible. Smart Contracts allow buyers and sellers to exchange money, property, shares, or anything of value in a transparent way while avoiding the services of a middleman. The Partnership may particularly engage in Decentralized Finance (DeFi) protocols. Decentralized Finance protocols promote the use of decentralized networks and open-source software to create multiple types of financial services and products such as peer-to-peer lending, borrowing, automated asset management, derivatives, synthetic assets creation, staking certificates, decentralized exchanges and prediction markets. Each Decentralized Finance application and protocol holds its specific risks. Risks include:

- Liquidity risks.
- Risks related to the malfunctioning of the algorithm that automated some of the protocols.
- Technical Risk: the Smart Contracts not behaving as intended by the developers. It is very difficult to code error free so there is always some level of technical risk that exists, even after the code has been audited.
- Risk related to external information influencing how the smart contracts operate to the detriment of other users (for example, an oracle could provide malicious data, and an administrator could change a system parameter or governance procedures could be co-opted).

- Economic Incentive Failure Risk: many Smart Contract protocols, especially in the DeFi space rely on economic incentives to encourage network participants to perform certain actions. These incentives could fail to encourage the right behaviour or not be adequate enough leading to other users being adversely impacted.

Fluctuation in Prices. The price of Digital Assets have fluctuated widely over the past few years and is likely to continue to experience significant price fluctuations. Digital Asset markets have historically experienced extended periods of flat or declining prices, in addition to sharp fluctuations. The global market for cryptocurrencies is characterized by supply and demand constraints that generally are not present in the markets for commodities or other assets such as gold and silver. There is no assurance that cryptocurrencies will maintain their long-term value in terms of future purchasing power or that the acceptance of Digital Assets payments by mainstream retail merchants and commercial businesses will continue to grow. In the event that the price of a cryptocurrency declines, this may adversely affect the Partnership's investments and consequently an investment in the Interests.

The price of Digital Assets on public Digital Asset Exchanges may also be impacted by policies on or interruptions in the deposit or withdrawal of fiat currency into or out of larger Digital Asset Exchanges. On large Digital Asset Exchanges, users may buy or sell Digital Assets for fiat currency or transfer Digital Assets to other wallets. Operational limits (including regulatory, exchange policy or technical or operational limits) on the size or settlement speed of (i) fiat currency deposits by users into Digital Asset Exchanges may reduce demand on such Digital Asset Exchanges, resulting in a reduction in the Digital Asset price on such Digital Asset Exchange and (ii) fiat currency withdrawals by users into Digital Asset Exchanges may reduce supply on such Digital Asset Exchanges, resulting in an increase in the Digital Asset price on such Digital Asset Exchange. To the extent that fees for the transfer of cryptocurrencies either directly or indirectly occur between Digital Asset Exchanges, the impact on Digital Asset prices of operation limits on fiat currency deposits and withdrawals may be reduced by "exchange shopping" among Digital Asset Exchange users. For example, a delay in USD withdrawals on one site may temporarily increase the price on such site by reducing supply (i.e., sellers transferring Digital Asset to another Digital Asset Exchange without operational limits in order to settle sales more rapidly), but the resulting increase in price will also reduce demand because bidders on Digital Asset will follow increased supply on other Digital Asset Exchanges not experiencing operational limits. To the extent that users are able or willing to utilize or arbitrage prices between more than one Digital Asset Exchange, exchange shopping may mitigate the short-term impact on and volatility of bitcoin prices due to operational limits on the deposit or withdrawal of fiat currency into or out of larger Digital Asset Exchanges.

Lack of Transparency. Due to the largely unregulated nature and lack of transparency surrounding the operations of Digital Asset Exchanges, the marketplace may lose confidence in Digital Asset Exchanges. The Digital Asset Exchanges on which the cryptocurrencies trade are relatively new and, in most cases, largely unregulated. Furthermore, while many prominent Digital Asset Exchanges provide the public with significant information regarding their ownership structure, management teams, corporate practices and regulatory compliance, many Digital Asset Exchanges do not provide this information. As a result, the marketplace may lose confidence in Digital Asset Exchanges, including prominent Digital Asset Exchanges that handle a significant volume of trading.

Airdropped Currencies. Cryptocurrencies issuers may give away their currencies for free ("air drops") in order to promote their digital asset and create inclusivity. Typically, the currency is air dropped into random wallets or to specific wallets that meet certain requirements. The Partnership may receive additional units of digital assets from time to time as a result of air drops. Such air drops may dilute the value of the existing outstanding units. Additionally, on a monthly basis, the GP reviews the listing of air dropped tokens for material positions that should be included in the Partnership's investment balance. To the extent the value is de minimis, air drops are excluded.

Cybersecurity. Over the past few years, many Digital Asset Exchanges have been closed due to fraud, business failure or security breaches. In many of these instances, the customers were not compensated or made whole for the partial or complete losses of their account balances in such Digital Asset Exchanges. While smaller Digital Asset Exchanges are less likely to have the infrastructure and capitalization that make larger Digital Asset Exchanges more stable, larger Digital Asset Exchanges are more likely to be appealing targets for hackers and malware and may be more likely to be the target of regulatory enforcement action. Due to the recent nature of these regulatory changes, the long-term impact on the marketplace is uncertain this time. The closure or temporary shutdown of Digital Asset Exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in the industry and result in greater volatility. These potential consequences of a Digital Asset Exchange's failure could adversely affect the Partnership's investments and consequently an investment in Interests.

Loss of Private Keys. A private key, or a combination of private keys, is necessary to control and dispose of Digital Assets stored in digital wallets or vaults. Accordingly, loss of requisite private key(s) associated with these digital wallets or vaults will result in loss of such Digital Assets and the private key will not be capable of being restored by the network. Any loss of private keys relating to digital wallets used to store the Partnership's cryptocurrencies and tokens could adversely affect the Partnership's investments and consequently an investment in the Interests. Further, any third party

that gains access to such private key(s) i.e., a custodian, including by gaining access to login credentials of a hosted wallet services, may be able to misappropriate Digital Assets.

Custody. Investors should be aware that while the Partnership and the IM and/or GP will open accounts with different custodians and Digital Asset Exchanges to try their best to reduce the risks of theft, loss, damage, destruction, malware, hackers or cyber-attacks, a lack of stability in the Digital Asset Exchange and the closure or temporary shutdown of a Digital Asset Exchange due to fraud, business failure, hackers or malware, or government-mandated regulation could significantly hinder these efforts by the Partnership and the IM and/or GP and may reduce confidence in the Digital Asset market and result in greater volatility. These potential consequences would adversely affect the Partnership's investments and consequently an investment in Interests by investors.

Malicious Actor or Botnets. If a malicious actor or botnet obtains control of more than fifty percent (50%) of the processing power on a network, such actor or botnet could manipulate the network. If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on a network, it may be able to alter the blockchain on which the network and most transactions rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner, or at all. The malicious actor or botnet could control, exclude or modify the ordering of transactions. The malicious actor could "double-spend" its own Digital Asset and prevent the confirmation of other users' transactions. To the extent that such malicious actor or botnet did not yield its control of the processing power on the network or the community did not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible.

Cryptographic Protection. Cryptography is evolving and there can be no guarantee of security at all times. Advancement in cryptography technologies and techniques, including but not limited to code cracking, hacking, the development of artificial intelligence and/or quantum computers, could be identified as risks to all cryptography-based systems including Digital Assets. When such technologies and/or techniques are applied, adverse outcomes such as theft, loss, disappearance, destruction, devaluation or other compromises of Digital Assets may result. Hackers or other malicious groups or organizations may attempt to interfere with the Digital Assets in a variety of ways, including but not limited to, malware attacks, denial of service attacks, consensus-based attacks, Sybil attacks, smurfing and spoofing. Further, many networks rely on open-source software and un-permissioned distributed ledgers. Accordingly, anyone may intentionally or unintentionally compromise the core infrastructural elements of a network and its underlying technologies. Consequently, this may result in the loss of Digital Assets. Therefore, the security of Digital Assets cannot be guaranteed due to the unpredictability of cryptography or security innovations or interference by hackers or other malicious groups or organizations.

Security threats could result in the halting of the Partnership's operations and a loss of assets. It is not uncommon for businesses in the Digital Asset space to experience large losses due to fraud and breaches of their security systems. Security breaches, computer malware and computer hacking attacks have been a prevalent concern in the industry. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment and the inadvertent transmission of computer viruses, could harm the Partnership's operations or result in loss of the assets. Transactions are irrevocable and stolen or incorrectly transferred Digital Assets may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect an investment in the Interests.

To the extent that the Partnership is unable to seek a corrective transaction with such third party or is incapable of identifying the third party which has received the Partnership's Digital Assets through error or theft, the Partnership will be unable to revert or otherwise recover incorrectly transferred Digital Assets. the Partnership will also be unable to convert or recover Digital Assets transferred to uncontrolled accounts. To the extent that the Partnership is unable to seek redress for such error or theft, such loss could adversely affect the Partnership's investments and consequently an investment in the Interests.

Irrevocable Digital Asset Transactions. Just as the 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. Further, at this time, there is no U.S. or foreign governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen Digital Assets. Consequently, the Partnership 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 Partnership is unable to seek redress for such action, error or theft, such loss could adversely affect an investment in the Partnership.

Public Perception of Digital Assets. As a relatively new technology, Digital Assets are not yet widely adopted as a means of payment for goods and services. Banks and other established financial institutions may refuse to process funds for Digital Asset transactions, process wire transfers to or from Digital Asset Exchanges, Digital Asset-related companies or service providers, or maintain accounts for persons or entities transacting in Digital Assets. Market capitalization for Digital Assets as a medium of exchange and payment method may always be low. Further, a Digital Asset's use as an international currency may be hindered by the fact that it may not be considered as a legitimate means of payment or legal tender in some jurisdictions. To date, speculators and investors seeking to profit from either short- or long-term holding of Digital Assets drive much of the demand for it, and competitive products may develop which compete for market share. Further, certain virtual currencies or payment systems may be the subject of a U.S. or foreign patent application (*i.e.*, JP Morgan Chase Bank's patent application for "Alt-Coin" with the United States Patent & Trademark Office), successfully patented, or, alternatively, mathematical Digital Asset network source codes and protocols may be patented or owned or controlled by a public or private entity. The Partnership could be adversely impacted if Digital Assets fail to expand into retail and commercial markets.

Uninsured Losses. Unlike bank accounts or accounts at some other financial institutions, Digital Assets are uninsured. If the Partnership's cryptocurrencies/ tokens are lost, stolen, or destroyed under circumstances rendering a party liable to the Partnership, the responsible party may not have the financial resources sufficient to satisfy the claim by the Partnership. Therefore, in the event of loss or loss of utility value, no recourse is offered.

Uncertainty of Taxation. The tax characterization of cryptocurrencies and tokens is uncertain. New tax rulings may result in adverse tax consequences, including but not limited to, withholding taxes, income taxes and tax reporting requirements.

Unanticipated Risks. Digital Assets are a new and untested technology. In addition, there are other risks associated with and/or related to Digital Assets including, but not limited to, any type of technology risks and those that we are unable to anticipate.

Banking Services to the Partnership. While the Partnership has established a relationship with a bank to open an account, several investment funds and other companies dealing in Digital Assets have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such entities have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to digital asset related companies for multiple reasons, such as perceived compliance risks or costs. Such actions by banks may harm public perception of digital assets, and therefore impact the price of the assets, adversely affecting the fund performance. Further, there is no guarantee that the Partnership's bank will maintain its current policy on digital asset-related services, which could have a materially negative effect on the Partnership.

Lending Digital Assets. The Partnership may participate in Digital Assets lending programs offered by certain Digital Asset Exchanges to investors seeking to short such Digital Assets. Interest will accrue to the Partnership until such Digital Assets are replaced. While the Digital Asset Exchanges on which the Partnership lends its Digital Assets requires borrowers to post collateral and provides for forced liquidation procedures, there is no assurance that such procedures will prevent the Partnership from losing capital in connection with its lending practices.

For any particular loan, and thus for all loans, there are many risks that some or all of the principal and interest may fail to be repaid, including but not limited to:

- the value of the borrower's leveraged position declines so quickly that forced liquidation does not occur quickly enough to preserve some or all of the principal and interest;
- a "flash crash" causes a forced liquidation at a price insufficient to recover some or all of the principal and interest;
- the software systems enforcing forced liquidation do not function correctly or at all;
- the software systems enforcing forced liquidation function correctly but are too slow to preserve some or all of the principal and interest;
- the software systems enforcing forced liquidation are compromised due to an attack or "hack;"
- the Cryptocurrency Exchange purported to enforce liquidation does not do so, for any reason or for no reason at all; and
- the Cryptocurrency Exchange purported to enforce liquidation experiences a disruption of service, is halted by an investigation, regulatory enforcement, or litigation, or otherwise becomes non-operational.

Staking. The Partnership may engage in staking inventory with a view to generating excess returns. Staking, which generally refers to locking up (not trading) a cryptocurrency for a period of time in exchange for a return that is similar to an interest rate but may be paid in Digital Assets or in some other form than fiat currency, is subject to various risks,

including that the Partnership may fail to dispose of the staked cryptocurrency at an optimal time. Further, participating in the blockchain consensus mechanism known as Proof of Stake (Staking) has a number of associated risks. These include:

- Liquidity Risk: Since often digital assets may be required to be locked by the network for a certain period of time, should the price of these assets move significantly during the lock up time period, the Partnership would be unable to trade these assets and may incur losses as a result.
- Slashing events: Participants in the Proof of Stake consensus mechanism are required to pledge some assets to the blockchain network for the duration of their participation in the consensus protocol. The purpose of this is to ensure a participant behaves in a manner which supports the network. Should a participant fail to act in a manner supportive of the network, either through malicious action, error or hardware or software failure, the participant may be subject to penalty and lose part or all of their pledged stake. The Partnership may participate in staking activities either through the use of our own hardware or via a third party in the case of a Delegated Proof of Stake consensus mechanism or similar. In the case of use of a third party, an additional risk is incurred as the Partnership is reliant on proper behavior and competence of the delegate.

Illiquidity of Some Investments. Some of the Digital Assets in which the Partnership invests may be or become relatively illiquid, either because they are thinly traded or no longer trade on a Cryptocurrency Exchange. The Partnership may not be able promptly to liquidate those investments if the need should arise, and its ability to realize gains, or to avoid losses in periods of rapid market activity, may therefore be affected. The prices realized on the resale of illiquid investments could be less than those originally paid by the Partnership. In addition, the value assigned to such Digital Assets for purposes of valuing Interests and determining net profits and net losses may differ from the value the Partnership is ultimately able to realize.

Option Transactions. The purchase or sale of an option by the Partnership involves the payment or receipt of a premium payment and the corresponding right or obligation, as the case may be, to either purchase or sell the underlying investment for a specific price at a certain time or during a certain period. Purchasing options involves the risk that the underlying investment does not change in price in the manner expected, so that the option expires worthless and the investor loses its premium. Selling options, on the other hand, involves potentially greater risk because the investor is exposed to the extent of the actual price movement in the underlying investment in excess of the premium payment received.

Hedging Transactions. The IM is not required to attempt to hedge portfolio positions in the Partnership and, for various reasons, may determine not to do so. Furthermore, the IM may not anticipate a particular risk so as to hedge against it. The Partnership may utilize financial instruments, both for investment purposes and for risk management purposes in order to: (i) protect against possible changes in the market value of the Partnership's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the Partnership's unrealized gains in the value of the Partnership's investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in the Partnership's portfolio; (v) hedge the interest rate or currency exchange rate on any of the Partnership's liabilities or assets; (vi) protect against any increase in the price of any securities the Partnership anticipates purchasing at a later date; or (vii) for any other reason that the IM deems appropriate. The success of the Partnership's hedging strategy is subject to the IM's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Partnership's hedging strategy is also subject to the IM's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Partnership may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Partnership than if it had not engaged in any such hedging transactions. For a variety of reasons, the IM may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the Partnership from achieving the intended hedge or expose the Partnership to risk of loss. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the Partnership's portfolio holdings.

Programmatic Trading. The GP and IM reserve the right to determine and confirm quote prices, bids, asks, volume, PnL, margin, and balances via API, place edit and cancel orders programmatically, in bulk and individually. To move capital from positions, wallets and Digital Asset Exchanges programmatically. To make orders of various types including but not limited to limit orders, at-market orders, stop-triggered market and limit orders, fill-or-kill orders, post only orders, block orders. Execute materially significant trades and actions without human involvement or human review. Execute swaps, staking, OTC trades, vault locking and unlocking, programmatically. Execute the described actions above and throughout the PPM immediately upon the satisfaction of non-static triggers which are managed and articulated

programmatically. Send API keys, wallet addresses, ID tokens over the internet to execute programmatic trades and action.

Smart Contract Risks. As part of the investment strategy, the Partnership may deploy capital into audited and un-audited smart contracts; a smart contract is an open-source autonomous computerized algorithm capable of executing code to implement the terms of an agreement. Smart contracts create a variety of new risks to the users with no legal recourse, including but not limited to, Coding Errors (where an error in the implementation of the contract causes financial loss to the users), "Rug Pulls" (where the smart contract developers intentionally create backdoors in the code to withdraw funds or cause other losses), Governance Issues (where the holders of the governance tokens vote to take a decision which negatively affects the value of the funds in the smart contract), high "Gas Fees" (where the transaction fees to execute the smart contract climb to high levels due to demand), etc. There is no guarantee the Partnership will be protected in the event of any such issues with a smart contract into which it enters, which may result in the Partnership's total loss of funds invested.

Simple Agreement for Future Tokens. Simple Agreements for Future Tokens ("***SAFTs***") have unique risks. SAFTs are agreements that offer the right to a Digital Asset (e.g., tokens) at a later point in time, usually upon the triggering of a condition outlined in the agreement. SAFTs that the Partnership invests in may offer the right to Digital Assets that have some characteristics of equity securities, such as obtaining an interest in a company. Consequently, such tokens are subject to some of the same risks as equity securities. Such tokens may be subject to legal or other restrictions on transfer, may have no liquid market, may afford limited voting rights to the holder of the token, and may have a lack of control in the management of the issuer of the token. SAFTs are also subject to the same risks as ICOs including, but not limited to, fraud, security breaches, regulatory developments, enforcement actions, failure of the conditions of the agreement to memorialize, no guarantee in value or worth of the underlying token, and technological developments. Such risks may have an adverse impact on the Partnership's assets or on the Partnership's ability to sell its assets. SAFTs further subject the Partnership to all risks associated with Digital Assets in general.

Illiquidity of SAFT Investments and Certain Securities. The Partnership may acquire interests in future digital tokens through SAFTs, 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 will allow private company issuers to issue the Partnership options or warrants to acquire interests in future token offerings from the private company issuers upon or following the occurrence of the ultimate development, sale and distribution of a digital token. The timing of receipt of the token by the Partnership, including any vesting schedule, will be determined in the sole discretion of the private company issuer offering the SAFT. 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 Partnership's ability to monetize or foreclose upon such interests or securities, significantly reducing the amount that the Partnership 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 Partnership's investments and the Interests of the Limited Partners.

Simple Agreements for Future Equity (*"**SAFE**")*. The Partnership may invest in SAFEs or other token agreement structured as a SAFE. A SAFE is an agreement that grants the holder the right to equity at a later date. A SAFE is neither debt nor equity but a security that may or may not convert to equity at a later date. Accordingly, the SAFEs in which the Partnership invest in will have no voting rights attached to the SAFE nor there is a likelihood that there will be a public market for the SAFEs.

Because SAFEs have not been registered under the Securities Act or under the securities laws of any jurisdiction, the SAFEs have transfer restrictions and cannot be resold in the United States except pursuant to a securities registration exemption. Limitations on the transfer of the SAFEs may also adversely affect the availability or price that the Partnership might be able to obtain for the SAFEs in a private sale. Further, many SAFEs contain inherent trading restrictions until certain date determined from issuers from initial purchase date, and as such SAFEs may never have a secondary market for resale.

Accordingly, there is no assurance that the Partnership investment in SAFEs will realize a return on its investment or that it will not lose its entire investment.

Long-Term Focus. The Partnership's investment strategy includes investing in Digital Assets as well as entering into certain positions which have a long-time horizon for maturity and may be potentially illiquid in the short term. In pursuing such long-term strategies, the Partnership may forego value in the short-term which may be disadvantageous, for

example, for limited partners who redeem all or a portion of their Interests before such long-term value may be realized by the Partnership.

Diversification and Concentration. The Partnership's investments may become significantly concentrated in a single (or limited number of) Digital Assets. Such limited diversification may result in the concentration of risk, which, in turn, could expose the Partnership to losses disproportionate to market movements in general if there are disproportionately greater adverse price movements with respect to such Digital Assets.

In-Kind Distributions. A withdrawing Limited Partner may, in the sole discretion of the GP, receive financial instruments owned by the Partnership in lieu of, or in combination with, Digital Assets. The value of financial instruments distributed may increase or decrease before such financial instruments can be sold and the Limited Partner will incur transaction costs in connection with the sale of such financial instruments. Additionally, financial instruments distributed with respect to a withdrawal by a Limited Partner may not be readily marketable. The risk of loss and delay in liquidating such financial instruments will be borne by the Limited Partner, with the result that such Limited Partner may receive less cash than it would have received on the date of withdrawal.

Short Selling. The Partnership may engage in short selling as part of its general investment strategy. Short selling involves selling instruments that are not owned and borrowing the same instruments for delivery to the purchaser, with an obligation to replace the borrowed instruments at a later date. Short selling allows the Partnership to profit from declines in market prices to the extent such decline exceeds the transaction costs and the costs of borrowing the instruments. However, because the borrowed instruments must be replaced by purchases at market prices in order to close out the short position, any appreciation in the price of the borrowed instruments would result in a loss upon such repurchase. The Partnership's obligations under its short sales will be marked to market daily and collateralized by the Partnership's assets held at the broker, including its cash balance and its long instruments positions. Because short sales must be marked to market daily, there may be periods when short sales must be settled prematurely, and a substantial loss would occur. Purchasing instruments to close out the short position can itself cause the price of the instruments to rise further, thereby exacerbating the loss. Short-selling exposes the Partnership to unlimited risk with respect to that instrument due to the lack of an upper limit on the price to which an instrument can rise. Short sales may be utilized to enhance returns and hedge the portfolio. The Partnership anticipates that the frequency of short sales will vary substantially in different periods. There are no prescribed limits to the amount of Partnership assets that may be subject to short sales.

Regulatory Risks Regarding Digital Assets

Unregistered Digital Assets. Many of the digital asset sales that have taken place as of the date of this Memorandum have not been registered under the U.S. or other national, state or local securities laws. The generally unregulated nature of many Digital Assets may increase the risk that certain sponsors of those Digital Assets turn out to be acting fraudulently. The Partnership's ability to recover funds invested in a digital asset sponsored by a fraudulent actor is likely to be extremely limited, if the Partnership is able to recover any funds at all.

Whether any particular digital asset in which the Partnership invests constitutes a security may be subject to considerable uncertainty, as it remains unclear how the SEC and other national, state and local regulatory agencies and courts will treat many Digital Assets. Certain SEC reports and enforcement actions in recent years have raised a high likelihood that many Digital Assets are deemed securities under U.S. law, but it is impossible to predict how the SEC may respond with respect to certain existing or future Digital Assets. It is uncertain how a determination that a digital asset in which the Partnership has invested was sold in violation of the securities laws would affect the Partnership, but it is possible that such a determination may have a material adverse impact on the value of the digital asset and thus, have an adverse effect on the overall value of the Partnership's assets, or could create litigation and other legal expenses for the Partnership, and in either case have an adverse impact on the value of an investment in the Partnership.

Relating to Government Oversight. The regulatory schemes—both foreign and domestic—possibly affecting Digital Assets or a digital asset network may not be fully developed. It is possible that any jurisdiction may, in the near or distant future, adopt laws, regulations, policies or rules directly or indirectly affecting a digital asset network, generally, or restricting the right to acquire, own, hold, sell, convert, trade, or use Digital Assets, or to exchange Digital Assets for either fiat currency or other virtual currency. It is also possible that government authorities may claim ownership over mathematical digital asset network source codes and protocols or law enforcement agencies (of any or all jurisdictions, foreign or domestic) may take direct or indirect investigative or prosecutorial action related to, among other things, the use, ownership or transfer of Digital Assets, resulting in a change to its value or to the development of a digital asset network (*e.g.,* the closure and seizure of Silk Road and the closure and seizure of www.libertyreserve.com—the domain name for Liberty Reserve, an online, virtual currency payment processor and money transfer system that the U.S. government alleges acted as a financial hub of the cyber- crime world).

Risk Relating to Novelty of Decentralized Exchanges. DEXs are fairly new, and their compliance with various aspects of regulatory regimes applicable to consumer credit transactions is untested. A federal or state regulator could take a position that a DEX's activities (and perhaps the activities of the lenders/borrowers/members of those platforms, such as the Partnership) do not comply with applicable law. Further, there is a risk that DEXs are mandated to comply with Anti-Money Laundering ("**AML**") and Know Your Customer ("**KYC**") regulations applicable to traditional lenders as well as jurisdiction-specific lending laws. Any such regulatory action could adversely affect the Fund and the Limited Partners.

Legislative Developments in Cryptocurrency. In 2020, the U.S. House of Representatives introduced the Crypto-Currency Act of 2020, which assigns federal "cryptoregulators" to each type of cryptoasset. Such cryptoregulators would be required to make available to the public and keep current a list of all federal licenses, certifications, or registrations required to create or trade in Digital Assets. Under the bill, the U.S. Secretary of the Treasury, through the Financial Crimes Enforcement Network, would be required to establish rules similar to financial institutions on the ability to trace cryptocurrency transactions and persons engaging in such transactions. The U.S. CFTC and SEC would also have new authority to regulate "crypto-securities" and "cryptocommodities," respectively, as defined under the law.

In May 2022, the SEC announced that it will nearly double its staff on the Crypto Assets and Cyber Unit, which is a unit within the SEC's Division of Enforcement and is responsible for protecting investors in cryptocurrency markets. Such legislation, regulation and subsequent changes thereof may cause a burden on the Investment Manager or the Partnership, and any delinquencies under these evolving regulatory and legislative regimes may adversely affect the Partnership.

SEC Regulation. The SEC has not formally asserted regulatory authority over certain Digital Assets. However, the SEC has advised that, depending on the facts and circumstances of each individual initial coin offering, the virtual coins or tokens that are offered or sold in an initial coin offering may be securities. If they are deemed to be securities, the offer and sale of these virtual coins or tokens in an initial coin offering would be subject to the federal securities laws. To the extent that Digital Assets held by the Partnership are deemed to fall within the definition of a security for purposes of U.S. laws and regulations, the Investment Manager and the Partnership will seek to dispose of such Digital Assets in accordance with such laws and regulations, or otherwise seek to comply with relevant U.S. laws and regulations. If Digital Assets held by the Partnership are deemed to be securities, but were not broadly anticipated to be securities, such Digital Assets may decline in value and/or be burdensome or costly to transmit (or the Partnership may be restricted from selling such Digital Assets).

CFTC Regulation. Current and future legislation, CFTC rulemaking and other regulatory developments may impact the manner in which Digital Assets are treated for classification and clearing purposes. In particular, certain Digital Assets are not excluded from the definition of a "commodity future" or "security" under CFTC rules. The General Partner cannot be certain as to how future regulatory developments will impact the treatment of Digital Assets under the law. To the extent that Digital Assets are deemed to fall further within the definition of a commodity future or further within the scope of CFTC jurisdiction pursuant to subsequent rulemaking by the CFTC, the Partnership may be required to comply with additional regulation under the Commodity Exchange Act with respect to such Digital Assets. If the General Partner or the Investment Manager determines not to comply with such additional regulatory requirements, the Partnership may terminate and liquidate at a time that may be disadvantageous to investors.

Foreign Jurisdictions. Various foreign jurisdictions may adopt policies, laws, regulations or directives that affect Digital Assets or a digital asset network. Such additional foreign regulatory obligations may cause the Partnership to incur extraordinary expenses and ongoing expenses, possibly affecting an investment in the Partnership in a material and adverse manner. To the extent any digital asset is unexpectedly determined to be a security, commodity interest or other regulated asset, or a U.S. or foreign government or quasi-governmental agency exerts regulatory authority over digital asset use, exchange, trading and ownership, the net asset value of the Partnership may be adversely affected. Any additional regulatory obligations may cause the Partnership to incur extraordinary, non-recurring expenses, and/or ongoing compliance expense, possibly affecting an investment in the Partnership in an adverse manner. If the Partnership determines not to comply with such regulatory requirements, the Partnership may be liquidated at a time that is disadvantageous. To the extent the Partnership limits or reduces the scope of certain activities, investors' rights or investment initiatives in order to limit the applicability of government regulation and supervision, investments in the Partnership may be adversely affected.

Future Regulatory Change is Impossible to Predict. The Digital Assets markets are subject to comprehensive statutes, regulations and margin requirements. In addition, the SEC, the CFTC, and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the retroactive implementation of speculative position limits or higher margin requirements, the establishment of daily price limits and the suspension of

trading. The regulation of securities and derivatives both inside and outside the United States is a rapidly changing area of law and is subject to modification by government and judicial action.

The Partnership intends to invest in Digital Assets which are either not regulated, or are in the early stages of regulation by U.S. federal and state governments, or self-regulatory organizations. As Digital Assets have grown in popularity, certain U.S. agencies, such as the SEC, the Financial Crimes Enforcement Network and the CFTC, have begun to examine Digital Assets and the operations of Digital Assets networks in depth. Currently, the SEC has not formally asserted regulatory authority over Digital Assets. The SEC has issued a release stating that, depending on the specific facts and circumstances of the Digital Assets in question, the digital asset may fall under securities regulations. The CFTC has declared that Digital Assets are commodities, but currently, only certain kinds of Digital Assets may be subject to CFTC jurisdiction. To the extent that any type of digital asset is determined to be a security, commodity, future or other regulated asset, or to the extent that a U.S. or foreign government or quasi-governmental agency exerts regulatory authority over the Digital Assets, the Partnership may be adversely affected.

Digital assets currently face an uncertain regulatory landscape in not only the United States but also in many foreign jurisdictions such as the European Union, China and Russia. Various foreign jurisdictions may, in the near future, adopt laws, regulations or directives that affect digital asset networks and their users, particularly digital asset exchanges and service providers that fall within such jurisdictions' regulatory scope. Such laws, regulations or directives may conflict with those of the United States and may negatively impact the acceptance of Digital Assets by users, merchants and service providers outside of the United States and may therefore impede the growth of the digital asset economy. The effect of any future regulatory change on the Partnership is impossible to predict, but such change could be substantial and adverse.

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

Virtual Currency/Digital Asset Tax Implications. The federal, state and local taxation of certain Digital Assets, including, for example, farming, staking, mining and DeFi, may not be clear, depending on the particular digital asset investments and activities. In 2014, the IRS issued a notice regarding certain U.S. federal tax implications of transactions in, or transactions that use, "virtual currency" (the "**Notice**"). According to the Notice, virtual currency is treated as property, not currency, for U.S. federal tax purposes, and "[g]eneral tax principles applicable to property transactions apply to transactions using virtual currency." In part, the Notice provides that the character of gain or loss from the sale or exchange of virtual currency depends on whether the virtual currency is a capital asset in the hands of the taxpayer. In 2019, the IRS issued a revenue ruling regarding certain tax consequences of "hard forks" and "airdrops" of a cryptocurrency (the "**Revenue Ruling**"). The Revenue Ruling provides that a taxpayer does not have gross income as a result of a hard fork of a cryptocurrency the taxpayer owns if the taxpayer does not receive units of a new cryptocurrency. However, an airdrop of a new cryptocurrency following a hard fork generally results in ordinary income to the taxpayer if the taxpayer receives units of new cryptocurrency.

The Revenue Ruling does not address whether income recognized by a non-U.S. investor as a result of a fork, air drop or similar occurrence could be subject to the 30% withholding tax imposed on U.S.-source "fixed or determinable annual or periodical" income. In the absence of guidance, it is likely that the Partnership will withhold 30% from each non-U.S. investor's share of any income recognized by the Partnership as a result of a fork, air drop or similar occurrence. Because it may not be clear whether the Partnership's or the Partnership's activities fall within certain safe harbors for buying and selling stocks, securities and certain commodities for one's own account, the tax consequences for a non-U.S. investor in the Partnership are not certain. Similarly, because it is not clear whether the Partnership qualifies as an "investment partnership" the state and local tax consequences of an investment in the Partnership are not certain. The U.S. Department of Treasury and the IRS, may issue future guidance that provides for adverse tax consequences to the Partnership and investors in the Partnership or the Partnership. Limited Partners should be aware that tax laws and regulations change on an ongoing basis, and that they may be changed with retroactive effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent or transparent. As a result, the U.S. federal, state and local tax consequences of investing in the Partnership are uncertain.

State, Local and Non-U.S. Tax Treatment of Digital Currencies. The taxing authorities of certain states (i) have announced that they will follow the Notice with respect to the treatment of digital currencies for state income tax purposes and/or (ii) have issued guidance exempting the purchase and/or sale of digital currencies for fiat currency from state sales tax. It is unclear what further guidance on the treatment of digital currencies for state tax purposes may be issued in the future. Any future guidance on the treatment of digital currencies for state or local could result in adverse tax consequences for investors in the Partnership and could have an adverse effect on the value of digital currencies.

The treatment of digital currencies for tax purposes by non-U.S. jurisdictions may differ from the treatment of digital currencies for U.S. federal, state or local tax purposes. It is possible, for example, that a non-U.S. jurisdiction would impose sales tax or value-added tax on purchases and sales of digital currencies for fiat currency. If a foreign jurisdiction with a significant share of the market of a digital currency imposes onerous tax burdens on digital currency users, or imposes sales or value-added tax on purchases and sales of digital currency for fiat currency, such actions could result in decreased demand for such digital currency in such jurisdiction, which could adversely affect the price of such digital currency (for example).

General Risks

Overall Business Risks of the Partnership. The Partnership's investment strategy involves making long term investments in the rental assets of early stage gaming companies. These types of investments involve significant risks on two levels: first, early stage companies are high-risk investments; second, the Partnership must invest its cash which will be tied up for several years or more before any possible success on its investment can be expected. Like most start-up and early stage development companies, no assurance can be given that such companies will develop to the point of generating enough users to make the Partnership's investment successful.

General Economic Conditions. General economic conditions worldwide may affect the Partnership's activities and that of the companies whose rental assets in which it invests. Interest rates, general levels of economic activity, the price of securities and the appetite for start-up companies in the financial market may affect the value and number of investments made by the Partnership or considered for prospective investment.

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

Risk of Loss. A Limited Partner could incur substantial, or even total, losses on an investment in the Partnership. An investment in the Partnership is only suitable for persons willing to accept this high level of risk.

Valuation. The valuation of Digital Assets will be determined by the General Partner, whose determination will be final and conclusive as to all parties. The General Partner may, but is not required to, obtain independent appraisals of such assets at the Partnership's expense.

Reliance on the General Partner and Investment Manager and no Authority by Limited Partners. All decisions regarding the management and affairs of the Partnership will be made exclusively by the General Partner and Investment Manager. Accordingly, no person should invest in the Partnership unless such person is willing to entrust all aspects of management of the Partnership to the General Partner and Investment Manager. Limited Partners will have no right or power to take part in the management of the Partnership. As a result, the success of the Partnership for the foreseeable future depends solely on the abilities of the General Partner and Investment Manager.

Dependence on Key Personnel. The General Partner and Investment Manager is dependent on the services of the Principals and there can be no assurance that they will be able to retain the Principals, whose credentials are described under the heading "MANAGEMENT OF THE PARTNERSHIP." The departure or incapacity of any of the Principals could have a material adverse effect on the General Partner's and Investment Manager's management of the investment operations of the Partnership.

Limitations on Liability and Indemnification. The Partnership Agreement provides that the General Partner, IM and their affiliates, shareholders, members, partners, managers, directors, officers and employees shall not be liable, responsible nor accountable in damages or otherwise to the Partnership or any Partner, or to any successor, assignee or transferee of the Partnership or of any Partner, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on the General Partner and IM by the Partnership Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by the General Partner and

IM of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Partnership; (iii) the negligence, dishonesty, bad faith, or other misconduct of any consultant, employee, or agent of the Partnership, including, without limitation, an affiliate of the General Partner or IM, selected or engaged by the General Partner or IM with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith, or other misconduct of any Person in which the Partnership invests or with which the Partnership participates as a partner, joint venturer, or in another capacity, which was selected by the General Partner or IM with reasonable care and in good faith. Furthermore, the Partnership, in the General Partner's sole discretion, will indemnify and hold harmless the General Partner, IM and its affiliates, shareholders, members, partners, managers. directors, officers and employees and the legal representatives of any of them (an "***Indemnified Party***"), from and against any loss, liability, damage, cost or expense suffered or sustained by an Indemnified Party by reason of (i) any acts, omissions or alleged acts or omissions arising out of or in connection with the Partnership, the Partnership Agreement or any investment made or held by the Partnership, including, without limitation, any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding, or claim, provided that such acts, omissions or alleged acts or omission upon which such actual or threatened action, proceeding or claim are based are not found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence by such Indemnified Party, or (ii) any acts or omissions, or alleged acts or omissions, of any broker or agent of any Indemnified Party, provided that such broker or agent was selected, engaged or retained by the Indemnified Party with reasonable care. The Partnership Agreement also provides that the Partnership will, in the sole discretion of the General Partner, advance to any Indemnified Party attorneys' fees and other costs and expenses incurred in connection with the defense of any action or proceeding which arises out of such conduct.

Limited Reporting. The Partnership will provide quarterly unaudited reports of Partnership activity. As a result, Limited Partners will not be able to evaluate the Partnership's activity at shorter intervals.

Lack of Liquidity; No Secondary Market. Interests may not be transferred or pledged except in compliance with significant restrictions on transfer as required by federal and state securities and commodities laws and as provided in the Partnership Agreement. The Partnership Agreement does not permit a Limited Partner to transfer or pledge all or any part of its Interest to any person without the prior written consent of the General Partner, the granting of which is in the General Partner's sole and absolute discretion. Further, a Limited Partner may not withdraw any amount from the Partnership. These limitations, taken together, will significantly limit a Limited Partner's ability to liquidate an investment in the Partnership quickly. As a result, an investment in the Partnership would not be suitable for an investor who needs liquidity. There is no secondary market for Interests and none is likely to develop in the future. See "CERTAIN RISK FACTORS—In-Kind Distributions" and "QUALIFICATION OF INVESTORS."

Contingency Reserves. Under certain circumstances, the Partnership may find it necessary to set up one or more reserves for contingent or future liabilities or valuation difficulties or withhold a portion of distributions or dividends to Limited Partners, in which case the reserved portion would remain at the risk of the Partnership's activities.

Absence of Regulatory Oversight. While the Partnership may be considered similar to an investment company, it is not and will not be registered as such under the Investment Company Act, in reliance upon an exemption available to privately offered investment companies and, accordingly, the provisions of the Investment Company Act (which, among other things, require investment companies to have a majority of disinterested directors, require securities held in custody to be individually segregated at all times from the securities of any other person and to be marked to clearly identify such securities as the property of such investment company, and regulate the relationship between the advisor and the investment company) are not applicable.

Strategy Risks

Digital Asset Exchanges. The Digital Asset Exchange on which Digital Assets trade are relatively new and largely unregulated and may therefore be more exposed to theft, fraud and failure than established, regulated exchanges for other products. In general, Digital Asset Exchange are currently start-up businesses with no institutional backing, limited operating history and publicly available financial information. Additionally, upon sale of Digital Assets, cash proceeds may not be received from the exchange for several business days. The participation in exchanges requires users to take on credit risk by transferring Digital Assets from a personal account to a third-party's account.

Digital Asset Exchanges may impose daily, weekly, monthly or customer-specific transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of Digital Asset for fiat currency difficult or impossible. Additionally, Digital Asset prices and valuations on Digital Asset Exchanges have been volatile and subject to influence by many factors including the levels of liquidity on exchanges and operational interruptions and disruptions. The prices and valuation of Digital Assets remain subject to any volatility experienced by Digital Asset Exchanges, and any such volatility can adversely affect an investment in the Partnership.

Digital Asset Exchanges are targets for cybercrime, hackers and malware. It is possible that while engaging in transactions with various Digital Asset exchanges located throughout the world, any such exchange may cease operations due to theft, fraud, security breach, liquidity issues, or government investigation. In addition, banks may refuse to process wire transfers to or from exchanges. Over the past several years, many exchanges have, indeed, closed due to fraud, theft (*e.g.,* Mt. Gox voluntarily shutting down because it was unable to account for over 850,000 Bitcoin), government or regulatory involvement, failure or security breaches (*e.g.,* the voluntary temporary suspensions by Mt. Gox of cash withdrawals due to distributed denial of service attacks by malware and/or hackers), or banking issues (*e.g.,* the loss of Tradehill's banking privileges at Internet Archive Federal Credit Union).

Any financial, security or operational difficulties experienced by such exchanges may result in an inability of the Partnership to recover money or Digital Assets being held by the exchange, or to pay investors upon withdrawal. Further, the Partnership may be unable to recover Digital Assets awaiting transmission into or out of the Partnership, all of which could adversely affect an investment in the Partnership. Additionally, to the extent that the Digital Asset exchanges representing a substantial portion of the volume in Digital Asset trading are involved in fraud or experience security failures or other operational issues, such Digital Asset exchanges' failures may result in loss or less favorable prices of Digital Assets, or may adversely affect the Partnership, its operations and investments, or the Limited Partners.

Exchanges on which the Partnership trades may operate outside of the United States. The Partnership may have difficulty in successfully pursuing claims in the courts of such countries or enforcing in the courts of such countries a judgment obtained by the Partnership in another country. In general, certain less developed countries lack fully developed legal systems and bodies of commercial law and practices normally found in countries with more developed market economies. These legal and regulatory risks may adversely affect the Partnership and its operations and investments.

Currently, there is relatively modest use of Digital Assets in the retail and commercial marketplace compared to its use by speculators, thus contributing to price volatility that could adversely affect an investment in the Partnership. If future regulatory actions or policies limit the ability to own or exchange Digital Assets in the retail and commercial marketplace, or use them for payments, or own them generally, the price and demand for Digital Assets may decrease. Such decrease in demand may result in the termination and liquidation of the Partnership at a time that may be disadvantageous to the Limited Partners, or may adversely affect the Partnership's net asset value.

The Partnership will compete with direct investments in Digital Assets and other potential financial vehicles backed or linked to Digital Assets. Any change in market and financial conditions, or other conditions beyond the Partnership's control, may make investment and speculation in Digital Assets more attractive, which could limit the supply of Digital Assets and increase or decrease liquidity.

Risks Associated with Investments in Private Companies and Risks to Partnership Strategy

No Assurance of Profit, Cash Distributions or Appreciation. There is no assurance that an investment in a Portfolio Investment, once made by the Partnership, will be profitable or that the Partnership’s interest in such Portfolio Investment will have economic value. There is no assurance that the Partnership’s investments will be profitable and there is a substantial risk that the Partnership’s losses and expenses will exceed its income and gains. Consequently, there can be no assurance that the Partnership’s investments will result in distributions to the Limited Partners, or that the Partnership will be able to liquidate its investments on favorable terms.

Risk of Partnership Investments. Portfolio Investments in which the Partnership invests may be in a conceptual or early stage of development, may not have a proven operating history, may offer services or products that are not yet developed or ready to be marketed or that have no established market, may be operating at a loss or have significant fluctuations in operating results, may be engaged in a rapidly changing business, may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or otherwise may have a weak financial condition.

Lack of Liquidity and Need for Additional Capital. In some cases, private companies will become successful only if additional capital is raised, which may dilute the holdings of previous investors. The inability of such private companies to attract other capital may have the effect of halting the development of that private company and cause the Partnership to lose its investment therein. Also, if such private company is ultimately unsuccessful in going public and developing a public market or merging with or being acquired by another company, the Partnership’s holdings of that company’s securities may become worthless.

Competition for Investments. The Partnership expects to encounter competition from other entities having similar investment objectives. Historically, the primary competition for venture capital investments has been from venture

capital partnerships and companies, venture capital affiliates of large industrial companies, wealthy individuals and foreign investors. Additional competition is anticipated from industrial and financial companies investing directly, rather than through venture capital entities. The Partnership may co-invest with other professional venture capital investors, and these relationships with other investors may expand the Partnership's access to investment opportunities. However, there is no assurance that the Partnership will succeed in finding investments on similar or favorable terms in comparison to its competitors.

Start-up Risks. The Partnership may make investments at the start-up or incubation stage of their development. Particularly in early-stage enterprises, a major risk exists that a proposed service or product cannot be developed successfully with the resources available to the private company. There is no assurance that the development efforts of any private company will be successful or, if successful, will be completed within the budget or time period originally estimated. The services and products may also be subject to a high degree of technical obsolescence. There is no assurance that any company can successfully develop future generations of its services or products. Additional funds may be necessary to complete such development, and there is no assurance that such fund will be available from any particular source.

Investment Selection. The Partnership's investment returns will be largely dependent on the Investment Manager 's experience in selecting Investments. The Limited Partners will be relying on the ability of the Investment Manager to identity Investments suitable for the Partnership. The Investment Manager has complete discretion to make any Investments based on its analysis and judgment. In making these decisions, the Investment Manager may rely on information provided and prepared by third parties. Although the Investment Manager intends to evaluate the accuracy and importance of such information, the Investment Manager will not always be able to confirm the completeness or accuracy of such information. Further, although the Investment Manager believes its investment selection procedures and methodologies are sound, there is no assurance that Investments will be profitable or achieve targeted returns or that loss of capital will not occur.

Uncertain Exit Strategies. Due to the illiquid nature of many of the investments the Partnership expects to make, the General Partner is unable to predict with confidence what, if any, exit strategy will ultimately be available for any given investment. Exit strategies that appear to be viable when an investment is initiated may be precluded by the time the investment is ready to be realized due to economic, legal, political or other factors. For example, there may not be an active market for initial public offerings of securities, so the Partnership may not be able to realize an exit through the public markets.

Uncertainty as to Extent of Diversification. The total amount of funds actually raised in the Offering and the number of investments acquired by the Partnership is uncertain. It is possible that the Partnership will only acquire a few Investments, limiting diversification and increasing the risk of loss to investors. The Partnership is offering the Interests on a best-efforts basis. Thus, there is no firm commitment for the maximum offering. A limited number of Investments may place a substantial portion of the Partnerships invested in the same industry with the same industry-related risks. In that case, a decline in a particular industry could substantially and adversely impact the Partnership. In the event of an economic recession affecting the economies of the industries to which Investments relate, or the occurrence of any one of many other adverse circumstances, the performance of the Partnership may be adversely affected. A more diversified investment portfolio would not be impacted to the same extent upon such an occurrence.

Illiquidity of Investments. Most Investments will be highly illiquid. As a result, the Partnership may not be able to liquidate Investments in a timely manner or at all. Such illiquidity will limit the ability of the Partnership to liquidate Investments in response to changes in economic or other conditions which may subject the Partnership to substantial losses. Further, the valuation of illiquid investments is complex and uncertain, and there can be no assurance that the Partnership's valuation will accurately reflect the value that will be realized upon the eventual liquidation of such Investments.

Other Risks

Term of Investment. An investment in the Partnership requires a multi-year-term commitment with no certainty of a return of any portion of capital invested in the Partnership. It is anticipated that there would be a significant period of time before the Partnership has completed its investments in projects and each investment may not be liquidated for a substantial period of time after the initial purchase. Losses on unsuccessful investments may be realized before gains on successful investments are realized. Dispositions of such investments may require a lengthy time period, as outlined in the Partnership Agreement. While it is the intention of the Investment Manager to achieve target returns over such period, other factors, such as overall market conditions, the competitive environment and the availability of potential purchasers, may shorten or lengthen the Partnership's holding period. Therefore, it is unlikely that the Partnership will realize substantial gains in its overall appraised or estimated Partnership value, during its early years.

Concentration of Investments. A significant amount of the Partnership's equity could be invested in only a few investments, particularly prior to full capitalization of the Partnership. The concentration of the Partnership's portfolio in fewer investments subjects the Partnership to a greater degree of risk with respect to the failure of one investment.

Tax Risks. There are substantial U.S. federal and state income tax risks associated with an investment in the Partnership. Prospective investors should read the section herein entitled "CERTAIN INCOME TAX CONSIDERATIONS."

Side Letters. The General Partner may enter into agreements with certain Limited Partners that will result in different terms of an investment in the Partnership than the terms applicable to other Limited Partners. As a result of such agreements, certain Limited Partners may receive additional benefits which other Limited Partners will not receive (*e.g.*, lower Management Fee and Carried Interest Distributions). The General Partner will not be required to notify the other Limited Partners of any such agreement or any of the rights and/or terms or provisions thereof, nor will the General Partner be required to offer such additional and/or different terms or rights to any other Limited Partner. The General Partner may enter into any such agreement with any Limited Partner at any time in its sole discretion.

Risks for Certain Benefit Plan Investors Subject to ERISA. Prospective investors that are benefit plan investors subject to the ERISA, and Department of Labor Regulations issued thereunder should read the section hereof entitled "ERISA CONSIDERATIONS" in its entirety for a discussion of certain risks related to an investment by benefit plan investors in the Partnership.

Revised Regulatory Interpretations Could Make Certain Strategies Obsolete. In addition to proposed and actual accounting changes, there have recently been certain well-publicized incidents of regulators unexpectedly taking positions which prohibited investment strategies which had been implemented in a variety of formats for many years. In the current unsettled regulatory environment, it is impossible to predict if future regulatory developments might adversely affect the Partnership.

Future Regulatory Change is Impossible to Predict. The private securities markets are subject to comprehensive statutes and regulations. In addition, the Securities and Exchange Commission and other regulatory bodies are authorized to take extraordinary actions in the event of a market emergency. The regulation of the private securities market both federally and at the state level is a rapidly changing area of law and is subject to modification by government and judicial action. The effect of any future regulatory change on the Partnership is impossible to predict, but could be substantial and adverse.

Risk of Default or Bankruptcy of Third Parties. The Partnership may engage in transactions that involve counterparties. Under certain conditions, the Partnership could suffer losses if a counterparty to a transaction were to default or if the market for certain assets were to become illiquid. In addition, the Partnership could suffer losses if there were a default or bankruptcy by certain other third parties with which the Partnership does business, or to which assets have been entrusted for custodial purposes.

No Separate Legal Counsel. Riveles Wahab LLP (the "***Attorneys***") act as legal counsel to the Partnership, the General Partner, and their affiliates. The Partnership does not have legal counsel separate and independent from legal counsel to the General Partner. The Attorneys do not represent investors in the Partnership, and no independent counsel has been retained to represent investors in the Partnership.

The Attorneys' representation of the Partnership, the General Partner, and their respective affiliates is limited to specific matters as to which it has been consulted by the General Partner. There may exist other matters that could have a bearing on the Partnership, the General Partner, and their respective affiliates as to which they have not been consulted. In addition, the Attorneys do not undertake (nor do they intend) to monitor the compliance of the General Partner, and their respective affiliates with the investment program, valuation procedures and other guidelines set forth in this Memorandum, nor do they monitor compliance with any applicable laws. In preparing this Memorandum, the Attorneys relied upon information furnished to them by the General Partner and/or its affiliates, and did not investigate or verify the accuracy and completeness of information set forth herein.

Force Majeure. The Partnership's investments may be affected by force majeure events (*i.e.*, events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including the Partnership or a counterparty to the Partnership) to perform its obligations until it is able to remedy the force majeure event and/or prompt precautionary government-imposed closures of certain travel and business. In addition, forced events, such as the cessation of the

operation of machinery for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, adversely impact the Partnership's returns, cause personal injury or loss of life, disrupt global markets, damage property, or instigate disruptions of service. In addition, the cost to the Partnership of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect the Partnership's expected returns. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Partnership may invest and the markets the Partnership may trade specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over industry assets, could result in losses to the Partnership, including if its investments are canceled, unwound or acquired (which could be without adequate compensation). Any of the foregoing may therefore adversely affect the performance of the Partnership and its investments.

COVID-19 Pandemic May Have an Adverse Impact on the Performance of the Partnership. A respiratory illness caused by a novel strain of coronavirus (COVID-19) was identified in Wuhan, Hubei Province, China, in December 2019 and has since spread globally, including to every state in the United States. The outbreak of COVID-19 has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. The global impact of the outbreak has been rapidly evolving and many countries, including the United States, have reacted by instituting mandatory or voluntary quarantines, as well as the closure of schools and businesses and restrictions on travel. As a result, the COVID-19 pandemic is negatively impacting almost every industry directly or indirectly.

COVID-19 (or a future pandemic) could have material and adverse effects on the Partnership's operations, performance, financial condition, results of operations, and cash flows due to, among other factors, the Partnership's ability to access capital and illness of the management team or key employees of the General Partner, Investment Manager or the Partnership. The extent to which COVID-19 impacts the Partnership's operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity, and duration of the outbreak, the actions taken to contain the outbreak or mitigate its impact, and the direct and indirect economic effects of the outbreak and containment measures, among others.

The COVID-19 pandemic and the measures taken to limit its spread are negatively impacting the global, national, and regional economies generally and many industries, directly or indirectly, and those impacts are likely to continue and may increase in severity, including potentially triggering a national or global recession or a prolonged period of negative or limited economic growth. Any such recession or period of negative or limited economic growth may have an adverse impact on the business, results of operations, financial condition, and liquidity of the Partnership.

New Private Fund Rules. In August 2023, the SEC adopted an array of new rules and/or rule amendments that will directly and materially impact private fund advisers such as the General Partner and the Investment Manager (the "***New Private Fund Rules***"). As a consequence of the New Private Fund Rules, the Partnership, the General Partner and the Investment Manager will become subject to additional regulatory compliance burdens, which may add significant costs to, or otherwise impact, the Partnership. Furthermore, the General Partner and the Investment Manager may have to amend certain of its policies and procedures and/or the terms of the Partnership applicable to Limited Partners in order to comply with the New Private Fund Rules, which could impact Limited Partners, including bearing costs associated with revising fund documentation. Under the New Private Fund Rules, preferential withdrawal rights and information rights related to portfolio holdings agreed with an investor pursuant to a contract prior to the compliance date of the New Private Fund Rules are grandfathered in and need not be offered to other investors in the Partnership.

The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Partnership. Prospective Limited Partners should read the entire Memorandum and the Partnership Agreement and consult with their own advisers before deciding whether to invest in the Partnership. In addition, as the Partnership's investment program develops and changes over time, an investment in the Partnership may be subject to additional and different risk factors.

POTENTIAL CONFLICTS OF INTEREST

In connection with the management of the Partnership, the General Partner may be deemed to have a fiduciary relationship with the Partnership and consequently the responsibility for dealing fairly with the Partnership. However, the General Partner, the Principals and/or their respected affiliates, shareholders, members, partners, managers, directors, officers and employees (collectively the "***Affiliated Persons***") may engage in activities that may conflict with the interests of the Limited Partners, or the Partnership. The following discussion enumerates certain potential divergences and conflicts of interest.

Other Activities

The Affiliated Persons will only devote so much time to the affairs of the Partnership as is reasonably required in the judgment of the General Partner. The Affiliated Persons will not be precluded from engaging directly or indirectly in any other business or other activity, including expending time and energy on behalf of the General Partner unrelated to Portfolio Investments or exercising investment advisory and management responsibility and buying, selling or otherwise dealing with investments for their own accounts, for the accounts of family members, for the accounts of other funds, including a potential Master Fund and Offshore Feeder, and for the accounts of individual and institutional clients (collectively, "***Other Ventures***"). Such Other Ventures may have business or investment objectives or may implement investment strategies similar to those of the Partnership. The Partnership will not have any rights of first refusal, co-investment or other rights in respect of the investments made by Affiliated Persons for the Other Ventures, or in any fees, profits or other income earned or otherwise derived from them. If a determination is made that the Partnership and one or more Other Ventures should purchase or sell the same investments at the same time, the Affiliated Persons will allocate these purchases and sales as is considered equitable to each. No Limited Partner will, by reason of being a Limited Partner of the Partnership, have any right to participate in any manner in any profits or income earned or derived by or accruing to the Affiliated Persons from the conduct of any business or from any transaction in investments effected by the Affiliated Persons for any account other than that of the Partnership.

The Affiliated Persons will attempt to allocate investment opportunities that come to their attention on a fair and equitable basis among the Partnership and the Other Ventures for which participation in the respective opportunity is considered appropriate *pro rata* in proportion to the relative net worth of each such account. In determining the degree to which participation by an account is appropriate, the Affiliated Persons shall take into account, among other considerations: (a) whether the risk-return profile of the proposed investment is consistent with the objectives of the Partnership, which objectives may be considered (i) solely in light of the specific investment under consideration or (ii) in the context of the portfolio's overall holdings and available capital; (b) the potential for the proposed investment to create an imbalance in the portfolio of the Partnership; (c) liquidity requirements of the Partnership; (d) potential tax consequences; (e) legal or regulatory restrictions; (f) the need to re-size risk in the portfolio of the Partnership; and (g) whether the Partnership and/or Other Ventures have a substantial amount of investable cash (*e.g.*, during a "ramp-up" period). Notwithstanding the foregoing, there can be no assurance that an investment opportunity which comes to the attention of any of the Affiliated Persons will not be allocated to an Other Ventures, with the Partnership being unable to participate in such investment opportunity or participating only on a limited basis. In addition, there may be circumstances under which the Affiliated Persons will consider participation by Other Ventures in investment opportunities in which the Affiliated Persons do not intend to invest, or intend to invest only on a limited basis, on behalf of the Partnership. Because these considerations may differ for the Partnership and the Other Ventures in the context of any particular investment opportunity, investment activities of the Partnership and the Other Ventures may differ considerably from time to time.

As a result of the foregoing, the Affiliated Persons may have conflicts of interest in allocating their time and activity between the Partnership and the Other Ventures, in allocating investments among the Partnership and the Other Ventures and in effecting transactions for the Partnership and the Other Ventures, including ones in which the Affiliated Persons may have a greater financial interest.

Transactions with and Fees Paid to Affiliated Persons of the General Partner

Furthermore, the General Partner and the Affiliated Persons have or may develop relationships with other entities that may have relationships with the Partnership or its portfolio investments. The Management Fee and the Carried Interest Distributions to the Investment Manager and General Partner, respectively, are intended to be the only direct compensation from the Partnership and its investments. However, the Partnership may engage Affiliated Persons at customary rates to perform services for the Partnership. Although the General Partner believes that its affiliation with these companies will be in the best interests of the Partnership, the interests of the Affiliated Persons in such companies might influence the General Partner and/or Affiliated Persons to take actions, or forebear taking actions, which it might not otherwise take or forebear

from taking in the absence of these relationships. In addition, the General Partner and/or the Affiliated Persons may receive advisory fees or other compensation from Portfolio Investments. Payment of such advisory fees will reduce the value of the Partnership's investment in such companies.

The Partnership may invest in or otherwise engage in transactions with Affiliated Persons and/or entities or ventures wholly owned, partially owned or otherwise controlled by Affiliated Persons. Such affiliated investments and transactions may create a material conflict of interest in that the transacting Affiliated Persons may have an interest in negotiating terms which may not be the most favorable to the Partnership. All Limited Partners are advised to consult with their advisors prior to making an investment in the Partnership.

Selling Commissions

The Partnership reserves the right to engage broker-dealer(s) and to pay selling commissions and/or referral fees to such persons in connection therewith out of the Partnership's assets. Alternatively, a portion of the Management Fee and/or Carried Interest Distributions may be remitted to third parties introducing Limited Partners to the Partnership, or the General Partner and Investment Manager may use its own resources to compensate third parties for such introductions, provided such third parties are affiliated with registered broker dealers.

No Separate Professional Advisers

The Partnership and the General Partner are not represented by separate professional advisers. Without independent legal and other professional representation, investors may not receive legal and other advice regarding certain matters that might be in their interests but contrary to the interest of the Affiliated Persons. However, should a dispute arise between the Partnership and any Affiliated Person, or should there be a need in the future to negotiate and prepare contracts and agreements between the Partnership and any of the Affiliated Persons, other than those existing or contemplated on the date of this Memorandum, the General Partner will cause the Partnership to retain separate counsel and, if necessary, other professionals for such matters.

VALUATION OF INVESTMENTS

The Net Asset Value of the Partnership will be determined as of such times as is required by the Partnership Agreement or as may be determined by the General Partner, but in any case no less than on each Closing. The value of assets held by the Partnership shall be denominated in U.S. dollars.

Each Limited Partner's share of the Net Asset Value of the Partnership is determined by multiplying (i) the sum of the value of the Investments held by the Partnership plus any cash or other assets (including interest accrued but not yet received) minus all liabilities (including accrued expenses), by (ii) the Limited Partner's Allocation Percentage.

Digital Assets listed on one or more United States or foreign digital exchanges or over-the-counter or on a decentralized exchange for which market quotations are available, shall be valued at the value at which they can be converted into U.S. dollars as of midnight UTC (Coordinated Universal Time) on the relevant day as reported by the relevant exchange for the particular Digital Asset in question.

If on the relevant valuation date the exchange or market herein designated for the valuation of any given asset is not open for business on the relevant valuation date, the valuation of such asset shall be determined as of the last preceding date on which such exchange or market was open for business; if an instrument could not be liquidated on the relevant valuation date due to the operation of daily limits or other rules of the exchange or market designated for the valuation thereof or similar factors, the settlement price on the first subsequent day on which the instrument could be liquidated shall be the basis for determining the value thereof for that valuation date, or such other value as the General Partner may determine to be fair and reasonable.

Net Asset Value will include any unrealized profit or loss on open positions and any other credit or debit accruing to the Partnership but unpaid or not received by the Partnership. The amount of any distribution declared by the Partnership will be treated as a liability from the day when the distribution is declared, or the related withdrawal is effective, as applicable, until it is paid.

The Portfolio Investments and assets of the Partnership will generally be valued by the General Partner, and it will endeavor, as best as reasonably feasible, to value such assets according to generally accepted accounting principles (GAAP). The General Partner may make adjustments to the value of investments to best reflect their fair market value. All matters concerning the valuation of investments, the allocation of profits, gains, and losses among the Limited Partners, and accounting procedures not specifically and expressly provided for by the terms of the Partnership Agreement, shall be determined by the General Partner, and shall be final and conclusive as to all of the Limited Partners.

SERVICE PROVIDERS

Custody

The amounts paid by an investor to the Partnership shall be placed directly in an account with one or more financial institutions selected by the General Partner, under appropriate arrangements.

The private keys that control the ownership and control of the Digital Assets may be stored and custodied by a third-party Digital Asset custodian, including but not limited to Fireblocks LLC. Such third-party custodian may or not be registered as a qualified custodian for purposes of Rule 206(4)-2 under the Investment Advisers Act of 1940, as amended. In addition, the General Partner may maintain custody of some or all of the Partnership's Digital Assets by (i) generating the private keys that control movement of the various Digital Assets (ii) maintaining custody of the Partnership's Digital Assets in a "cold wallet," either through paper or hardware cold storage, or by (iii) storing the Partnership's Digital Assets in "hot wallets", including "hot wallets" on one or more regulated or unregulated, United States or foreign, centralized or decentralized digital asset exchange ("***Digital Asset Exchanges***"). The foregoing shall not, however, limit the General Partner in any way from utilizing Digital Asset custody standards and practices that may exist in the future. The General Partner is responsible for taking such steps as it determines, in its sole judgment, to be required to maintain access to these keys, and prevent their exposure from hacking, malware and general security threats. The General Partner is not liable to the Partnership or to Limited Partners for the failure or penetration of the security system absent gross negligence, fraud or criminal behavior on the part of the General Partner. Maintaining Digital Assets on deposit or with any third party in a custodial relationship has attendant risks. These risks include security breaches, risk of contractual breach, and risk of loss. Limited Partners should be aware that the Partnership may allow third parties to hold its property, and this may result in the occurrence of any of the aforementioned risks.

Reports and Audit

The GP, in its sole discretion, may select an auditor which will complete the year-end audit for the Partnership. The Partnership's books of account shall be audited as of the close of each fiscal year by Akram & Associates PLLC (the "***Auditor***") or any other independent accounting firm, as designated by the GP. The GP will furnish annual reports containing audited financial statements to all Limited Partners within one hundred twenty (120) days, or as soon thereafter as is reasonably practicable, following the conclusion of each fiscal year, although the GP may elect to postpone the first audit of the Partnership's annual financial statements until the completion of the Partnership's first full fiscal year, in which case the initial audit will cover the applicable fiscal year as well as the partial "stub" year in which the Partnership commenced operation.

In addition, all Limited Partners will receive the information necessary to prepare federal and state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical.

Administrator

NAV Consulting, Inc. (the "***Administrator***" or "***NAV***") has been engaged as the administrator of the Partnership pursuant to a Service Agreement entered into with the Partnership (the "***NAV Agreement***"). The Administrator is responsible for, among other things, calculating the Partnership's net asset value, performing certain other accounting, back-office, data processing, processing subscriptions, redemptions and transfer activities of Investors in the Partnership, certain anti-money laundering functions and related administrative services.

The NAV Agreement provides that the Administrator shall not be liable to the Partnership, any Investor or any other person in absence of finding of willful misconduct, gross negligence, or fraud on the part of NAV. Furthermore, the Partnership shall indemnify and hold harmless the Administrator, its affiliates, and their respective officers, directors, shareholders, employees, agents and representatives (collectively, the "***NAV Parties***") from and against any liability, damages, claims, loss, cost or expense, including, without limitation, reasonable legal fees and expenses (individually, "***Loss***" and collectively, "***Losses***") arising from, related to, or in connection with the services provided to the Partnership pursuant to the NAV Agreement, unless any such Losses are the direct result of the willful misconduct, gross negligence or fraud of NAV. In no event shall NAV have any liability to the Partnership, any Investor or any other person or entity which seeks to recover alleged damages or losses in excess of the fees paid to NAV by the Partnership in the one year preceding the occurrence of any loss, nor shall NAV be liable for any indirect, incidental, consequential, collateral, exemplary or punitive damages, including lost profits, revenue or data, regardless of the form of the action or the theory of recovery, even if NAV has been advised of the possibility of such damages or such damages were foreseeable. Any

claim brought against NAV in connection with the NAV Agreement will be barred unless it is initiated within one year of the earlier of the disclosure of the event which is the subject of such claim or the date that the party advancing such claim knew or could with due inquiry have known of such event.

NAV shall not be liable to the Partnership, any Investor or any other person for the actions or omissions of any agent, contractor, consultant or other third party performing any portion of the services under the NAV Agreement absent a finding of gross negligence or fraud on the part of NAV in appointing such agent, contractor, consultant or other third party.

NAV shall not be liable to the Partnership, any Investor or any other person for actions or omissions made in reliance on instructions from the Partnership or advice of legal counsel.

The services provided by NAV are purely administrative in nature. NAV has no responsibilities or obligations other than the services specifically listed in the NAV Agreement. No assumed or implied legal or fiduciary duties or services are accepted by or shall be asserted against NAV. NAV does not provide tax, legal or investment advice. NAV has no duty to communicate with Investors other than as set forth in Exhibit A of the NAV Agreement. NAV does not have custody of the Partnership's assets, it does not verify the existence of, nor does it perform any due diligence on the Partnership's underlying investments, including, investments in or via related or affiliated entities. In connection with the payment processing functions, NAV shall not be responsible for performance of the due diligence on payment recipients other than in connection with payments for Investors' withdrawals from the Partnership, which are subject to anti-money laundering review functions of the services.

The NAV Agreement also provides that it is the obligation of the Partnership's management, and not of NAV, to review, monitor or otherwise ensure compliance by the Partnership with the investment policies, restrictions or guidelines applicable to it or any other term or condition of the Partnership's offering documents, including, without limitation, with its valuation policy or the Partnership's stated investment strategy, and with laws and regulations applicable to its activities. The Partnership's management's responsibility for the management of the Partnership, including without limitation, the valuation of the Partnership's assets and liabilities, including, defining and maintaining the valuation policy and for fair valuing the Partnership's assets, the oversight of the services provided by NAV and the review of work product delivered by NAV shall not be affected by or limited by any of the services provided by NAV.

The NAV Agreement provides that NAV is entitled to rely on any information, including valuation information, received by NAV from the Partnership, the Partnership's management or other parties, including without limitation, broker-dealers and data vendors, without independent verification, audit, review, inquiry, or performing other due diligence and NAV shall not be liable to the Partnership, any Investor or any other persons for losses suffered as a result of NAV relying on incorrect information. NAV has no responsibility to review, independently value, verify, compare to other pricing sources or otherwise perform due diligence on the valuation information. NAV may accept such information as accurate and complete without independent verification. Furthermore, NAV shall not be liable to the Partnership, any Investor or any other person for any loss incurred as a result of an error or inaccuracy of any valuation information received from the Partnership or from any pricing or valuation service or data service provider or delay, interruption in service or failure to perform of any pricing or valuation service or data service provider used by NAV.

Where the Partnership makes investments via related entities, to produce net asset value calculation, NAV will use the valuation information of such intermediate, related entities. The valuation information of the intermediate, related entities may be provided by the Partnership's manager or the manager of the intermediate, related entities. NAV is not responsible for performing any due diligence on any of the Partnership's investments, including, the intermediate, related entities and for verifying the existence of the end investments. The Partnership is responsible for the completeness of records, documents and information provided to NAV to perform the Services.

The Partnership acknowledges the challenges in performing Services for investments in cryptocurrency due to the nature of this asset class, including its anonymity and opaqueness among other factors. Due to these factors and the fact that cryptocurrency is in the early stages in its life, NAV may not have independent access to information in the same manner as it does for traditional assets and has to rely on the information provided by the management of the Partnership.

The Partnership agrees that NAV has no responsibility to verify, confirm or validate the existence, ownership or control of any cryptocurrency asset held by the Partnership. To determine the Partnership's positions in cryptocurrency in connection with the Services, NAV will rely on the Partnership's management representations about said positions. The representation by the Partnership's management NAV is entitled to rely on, includes, without limitation, the position information of: 1. cryptocurrency held in cold wallet, in the Partnership's exchange account, or in the Partnership's account with cryptocurrency custodian, 2. the initial coin offerings ("ICOs"), 3. cryptocurrency traded over-the-counter, 4. cryptocurrency received due to forks, airdrops or similar transactions, and 5. cryptocurrency

acquired from Partnership's mining. If the Partnership holds the cryptocurrency in cold wallet, NAV may confirm the amount of cryptocurrency reported on the respective blockchain for the public key of the Partnership, provided that given cryptocurrency has a public blockchain and a public key to such blockchain was given by the Partnership or its Partnership's management to NAV. Having said that, the Partnership acknowledges that it is not possible for NAV to determine whether a public key belongs to the Partnership. Provided that NAV receives read only access or read only API access, NAV may also confirm the Partnership's holdings based on the information apparent via such read only access or read only API access to the Partnership's exchange accounts or the Partnership's accounts hosted by cryptocurrency custodians. Having said that, the Partnership acknowledges that it is not possible for NAV to determine whether the API key belongs to the Partnership. Shall the Partnership engage in investing in the ICOs, the holdings in the ICOs and pre-sales may not be visible to NAV between the time of funding and the closing of the ICO. Accordingly, to perform the Services, for the holdings in the ICOs and pre-sales, NAV will rely solely on the Partnership's management representations regarding said positions. NAV may rely on the trade confirmations received from the Partnership's management's and other counterparties for the OTC transactions. Shall the Partnership engage in mining of cryptocurrency, NAV will not independently verify or otherwise perform any due diligence to determine that the cryptocurrencies acquired from mining were actually obtained as a result of Partnership's mining activity and not from any other source. The Partnership may receive assets due to forks, airdrop or similar transactions. NAV will not verify these transactions independently, but will rely solely on the information provided by the Management for these transactions. NAV may include in the Partnership's net asset value assets due to forks, airdrops and similar transactions based on the Partnership's management representations, even though, these assets may not be reported by the exchanges in the Partnership's exchange accounts or wallets. The assets due to forks, airdrops and similar transactions may be allocated to the Partnership's exchange or wallet accounts with delays, however, there is a possibility that the Partnership may not receive these assets during the Partnership's lifetime. The Partnership acknowledges and agrees that NAV will not be required to independently ascertain, confirm nor verify the accuracy of the representations, confirmations and other information relied on by NAV discussed in this paragraph in performing the Services. NAV shall not be liable to the Partnership, Investors or any other persons for losses suffered as a result of NAV's reliance on the aforementioned representations and other information relied.

The Partnership acknowledges challenges in obtaining valuation information for digital assets. To provide the Services, NAV will rely on prices published by the cryptocurrency exchanges. Each cryptocurrency may be traded on various cryptocurrency exchanges and there may be significant variations between the prices of the same cryptocurrency traded on different cryptocurrency exchanges. NAV will rely on the Partnership's management to select the exchange to be used as a source for valuation of each cryptocurrency and to decide what valuation point to use. Before being listed on an exchange, any ICOs and cryptocurrency acquired from the Partnership's mining activities will be priced at cost or fair value as determined by the Partnership's management. The cost of mining shall be determined by the Partnership's management. The Partnership acknowledges and agrees that NAV has no responsibility to independently verify or otherwise perform any due diligence on the cost of mining valuations. Once an ICO is listed on an exchange, NAV will rely on the Partnership's management to select the source exchange and will use the prices published on that exchange. The Partnership acknowledges and agrees that NAV has no responsibility to review, independently value, verify, compare to other pricing sources or otherwise perform due diligence on the cryptocurrency valuation information and makes no representations or warranties with respect to its accuracy. The Partnership agrees that it is the responsibility of the management of the Partnership, and not NAV, to verify whether the exchanges selected by the Partnership's management as a valuation source or used for trading are operating lawfully, including, whether they are required to be register with a regulator or whether they are registered.

The Service Agreement provides that the Services, including the anti-money laundering services provided by NAV, do not encompass monitoring of the Partnership's trading activity for the purposes of detecting or preventing money laundering. NAV Consulting, Inc. is not responsible for monitoring transactions effected by the Partnership's management to ensure compliance with the applicable AML laws and regulations. NAV Consulting, Inc. does not monitor the Partnership's trading activities for the purposes of assuring compliance with OFAC Sanctions programs. For avoidance of doubt, for the purposes of this paragraph, trading shall include acquisition of cryptocurrency from mining, forks, airdrop and similar transactions or participating in an ICO. In addition, shall the Partnership accept the payments for subscriptions or redemptions in-kind in cryptocurrency, the Partnership acknowledges that NAV is not able to confirm, verify, or ascertain the source of in-kind payments in cryptocurrency due to the anonymity of cryptocurrency and the Partnership agrees that NAV shall not be responsible for monitoring such transactions for the purposes of detecting or preventing money laundering.

The information on investor statements and other reports produced by NAV shall not be considered an offer to sell or a solicitation of an offer to purchase any interest in the Partnership, nor may it be used to induce or recommend the purchase or holding of any interest in the Partnership.

The NAV Agreement bars non-parties from asserting third party beneficiary claims against NAV.

The Partnership pays NAV fees out of the Partnership's assets, generally based upon the size of the Partnership, in accordance with NAV's standard schedule for providing similar services, subject to a monthly minimum.

Either party may terminate the NAV Agreement on 180 days' prior written notice as well as on the occurrence of certain events.

Investors may review the NAV Agreements by contacting the Partnership; provided, that NAV reserves the right not to disclose the fees payable thereunder.

NAV is not responsible for the preparation of this Confidential Memorandum or the activities of the Partnership and therefore accepts no responsibility for any information contained in any other section of this Confidential Memorandum.

Legal Counsel

Riveles Wahab LLP (the "***Attorney***") will represent the Partnership and the GP in connection with the organization of the Partnership, the offering of Interests and other ongoing matters. The Attorney has not been engaged to protect the interests of prospective Limited Partners or the Limited Partners. Prospective Limited Partners should consult with and rely upon their own counsel concerning an investment in the Partnership, including the tax consequences to Limited Partners of an investment in the Partnership. No independent counsel has been retained to represent the Limited Partners of the Partnership.

The Attorney's representation of the Partnership is limited to the organization of the Partnership, the offering of Interests and to certain other specific matters as to which the Attorney has been consulted by the Partnership and/or the GP. There may exist other matters which could have a bearing on the Partnership and/or the GP as to which the Attorney has not been consulted. In addition, the Attorney does not undertake to monitor the compliance of the GP and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does the Attorney monitor compliance with all applicable laws. In the course of advising the Partnership, there are times when the interests of the Limited Partners may differ from those of the GP and its affiliates. For example, issues may arise relating to trade errors, expenses to be charged to the Partnership, withdrawal rights of Limited Partners and other terms of the Partnership Agreement, such as those relating to amendments and indemnification. The Attorney does not represent the Limited Partners' interests in resolving such issues.

QUALIFICATION OF INVESTORS

AN INVESTMENT IN THE PARTNERSHIP IS SUITABLE ONLY FOR INVESTORS OF SUBSTANTIAL FINANCIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY IN THIS INVESTMENT. Interests in the Partnership are being offered under Section 3(c)(1) of the Investment Company Act for investment by up to 100 persons who are (i) "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act, and (ii) "qualified clients" as defined in Rule 205-3 under the Advisers Act, who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Partnership. The GP intends to solicit and advertise interests in the Partnership to the public under Section 506(c) of Regulation D of the Securities Act. All Limited Partners will be required to verify their status as accredited investors through the provision of two years of tax or wage statements, brokerage or bank statements, confirmation by certain third parties, or certain other methods deemed acceptable by the GP.

In order to satisfy the criteria for an "***accredited investor***," in the case of individuals, an investor must have either (i) an annual income of not less than $200,000 for each of the previous two years (or a combined income with such person's spouse or spousal equivalent[1] of not less than $300,000), and reasonably anticipate the same level of income for the current year, (ii) a net worth in excess of $1,000,000 (excluding the value of such person's primary residence), (iii) a person who holds, in good standing, one of the Series 7, Series 82, Series 65 securities license or such other qualifying professional certificate, designation or credential as set forth on SEC's website from time to time, or (iv) a "knowledgeable employee[2]" of the Partnership, as defined in Rule 3c-5(a)(4) under the Investment Company Act, as amended. Other types of accredited investors permitted to invest in the Partnership include (i) banks or savings and loan associations acting in an individual or fiduciary capacity, (ii) broker-dealers registered under the Securities Exchange Act of 1934, as amended, (iii) investment adviser registered pursuant to Section 203 of the Advisers Act, registered pursuant to the laws of a state or an investment adviser relying on the exemption from registering with the SEC under Section 203(l) or (m) of the Advisers Act; (iv) insurance companies, (v) any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of making the investment, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D, and (vi) a corporation, business trust, partnership or limited liability company not formed for the purpose of making the investment (x) which owns investments in excess of $5,000,000[3], or (y) in which all of the equity owners are accredited investors.

A "***qualified client***" is any person who comes within any of the following categories, at the time of such Limited Partner's admission to the Partnership:

- A natural person who, or a company that, immediately after entering into the contract, has at least $1,100,000 under the management of the GP and its affiliates;

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[1] "Spousal equivalent" means a cohabitant occupying a relationship generally equivalent to that of a spouse.

2 A "knowledgeable employee" includes any natural person who is, among others: (1) an "executive officer" or person serving in a similar capacity of the private fund or an "affiliated management person" of a private fund relying on Section 3(c)(1) or 3(c)(7) of the Investment Company Act; or (2) an employee of such a private fund or affiliated management person (individually a "Covered Entity") who, in connection with his or her regular functions or duties, participates in the investment activities of a Covered Entity for at least 12 months. An "executive officer" is defined to include the president; any vice president in charge of a principal business unit, division or function; any other officer who performs a policy-making function; or any other person who performs similar policy-making functions for a Covered Entity.

3 The term "investments" for this purpose generally means: (1) securities (as defined by Section 2(a)(1) of the Securities Act, other than securities of an issuer that controls, is controlled by, or is under common control with, the prospective investors that owns such securities, unless the issuer of such securities is: (i) an investment vehicle (as defined under Investment Company Act Rule 2a51-1(b)); (ii) a public company (as defined under Investment Company Act Rule 2a51-1(b)); or (iii) a company with shareholders' equity of not less than $50 million (determined in accordance with generally accepted accounting principles) as reflected on the company's most recent financial statements, provided that such financial statements present the information as of a date within 16 months preceding the date on which the prospective investor acquires the securities of a Section 3(c)(7) company; (2) real estate held for investment purposes; (3) commodity interests (as defined under Investment Company Act Rule 2a51-1(b)) held for investment purposes; (4) physical commodities (as defined under Investment Company Act Rule 2a51-1(b)) held for investment purposes; (5) to the extent not securities, financial contracts (as such term is defined in Investment Company Act Section 3(c)(2)(B)(ii) entered into for investment purposes; (6) in the case of a prospective investor that is a Section 3(c)(7) company, a company that would be an investment company but for the exclusion provided by Investment Company Act Section 3(c)(1), or a commodity pool, any amounts payable to such prospective investor pursuant to a firm agreement or similar binding commitment pursuant to which a person has agreed to acquire an interest in, or make capital contributions to, the prospective investor upon the demand of the prospective investor; and (7) cash and cash equivalents (including foreign currencies) held for investment purposes.

- A natural person who, or a company that, the GP reasonably believes has a net worth (together, in the case of a natural person, with assets held jointly with a spouse) of more than $2,200,000 (excluding the value of such person's primary residence);

- A qualified purchaser as defined in Section 2(a)(51)(A) of the Investment Company Act;

- A natural person who is an executive officer, director, trustee, general partner, or person serving in a similar capacity, of the GP; or

- A natural person who is an employee of the GP (other than an employee performing solely clerical, secretarial or administrative functions with regard to the GP) who, in connection with his regular functions or duties, participates in the investment activities of the GP, provided that such employee has been performing such functions and duties for or on behalf of the GP, or substantially similar functions or duties for or on behalf of another company, for at least 12 months.

The Partnership reserves the right to reject subscriptions in its sole discretion. Each purchaser will be required to represent that such purchaser's overall commitment to investments which are not readily marketable is not disproportionate to such purchaser's net worth, and that such purchaser's investment in the Partnership will not cause such overall commitment to become excessive; that such purchaser can sustain a complete loss of such purchaser's investment in the Partnership and has no need for liquidity in such purchaser's investment in the Partnership; and that such purchaser has evaluated the risks of investing in the Partnership.

Limited Partners may not be able to liquidate their investment in the event of an emergency or for any other reason because there is not now any public market for the Interests and none is expected to develop.

The Partnership will not be registered as an investment company under the Investment Company Act of 1940, in reliance on Section 3(c)(1) thereof. As a Section 3(c)(1) fund, the Partnership may offer Interests in a private placement and may have no more than 100 beneficial owners. The Interests therefore may not be resold except in a transaction registered under the Securities Act and the laws of certain states or in a transaction exempt from such registration.

Investors who reside in certain states may be required to meet standards different from or in addition to those described above. Investors will be required to represent in writing that they meet any such standards that may be applicable to them. The General Partner may reject a subscription for an Interest for any reason in its sole and absolute discretion. If a subscription is rejected, the payment remitted by the Investor will be returned without interest.

Rule 506(d) of Regulation D of the Securities Act provides for disqualification of a Rule 506 offering in the event 20% or more of the Partnership's interests are beneficially owned by a Limited Partner involved in a "disqualifying event" (a "***Bad Actor Event***"). A prospective investor subject to a Bad Actor Event may be denied admittance to the Partnership in the General Partner's sole discretion. An existing Limited Partner must inform the General Partner immediately upon being subject to a Bad Actor Event. The General Partner may remove such Limited Partner from the Partnership at its sole discretion. The following eight infractions constitute Bad Actor Events:

1. Conviction, within ten years before the sale of the securities (or five years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor: in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities;
2. Being subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the sale of the securities, that, at the time of such sale, restrains or enjoins you from engaging or continuing to engage in any conduct or practice: in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.
3. Being subject to a final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the Commodity Futures Trading Commission; or the National Credit Union Administration that, at the time of the sale of the securities, bars you from: association with an entity regulated by such commission, authority, agency or officer; engaging in the business of securities, insurance or banking; or

engaging in savings association or credit union activities; or constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before the sale of securities.

4. Being subject to an order of the SEC entered pursuant to section 15(b) or 15B(c) of the Exchange Act or section 203(e) or 203(f) of the Advisers Act that, at the time of the sale of the securities: suspends or revokes your registration as a broker, dealer, municipal securities dealer, municipal securities dealer or investment adviser; places limitations on the activities, functions or operations of, or imposes civil money penalties on such person; or bars you from being associated with any entity or from participating in the offering of any penny stock.

5. Being subject to any order of the SEC, entered within five years before the sale of the securities, that, at the time of such sale, orders you to cease and desist from committing or causing a future violation of: any scienter-based anti-fraud provision of the federal securities laws, including, but not limited to, Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder, or Section 5 of the Securities Act.

6. Being suspended or expelled from membership in, or suspended or barred from association with a member of, a securities self-regulatory organization (e.g., a registered national securities exchange or a registered national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade.

7. Having filed (as a registrant or issuer), or having been named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years before the sale of the securities, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, at the time of the sale of the securities, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued; or

8. Being subject to a United States Postal Service false representation order entered within five years before the sale of the securities, or, at the time of the sale of the securities, being subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

EACH PROSPECTIVE INVESTOR SHOULD CONSIDER WHETHER THE PURCHASE OF THE SECURITIES OFFERED HEREBY IS SUITABLE FOR HIM IN LIGHT OF HIS INDIVIDUAL INVESTMENT OBJECTIVES.

CERTAIN INCOME TAX CONSIDERATIONS

The following is a summary of certain aspects of the income taxation of the Partnership and its Limited Partners which should be considered by a prospective Limited Partner. The Partnership has not sought a ruling from the Service or any other federal, state or local agency with respect to any of the tax issues affecting the Partnership, nor has it obtained an opinion of counsel with respect to any tax issues.

This summary of certain aspects of the federal income tax treatment of the Partnership is based upon the Code, taking into effect the Tax Cuts and Jobs Act ("***TCJA***"), enacted December 22, 2017, judicial decisions, Treasury Regulations (the "***Regulations***") and rulings in existence on the date hereof, all of which are subject to change. This summary does not discuss the impact of various proposals to amend the Code which could change certain of the tax consequences of an investment in the Partnership. This summary also does not discuss all of the tax consequences that may be relevant to a particular investor or to certain investors subject to special treatment under the federal income tax laws, such as insurance companies.

EACH PROSPECTIVE LIMITED PARTNER SHOULD CONSULT WITH ITS OWN TAX ADVISOR IN ORDER TO FULLY UNDERSTAND THE FEDERAL, STATE, LOCAL AND FOREIGN INCOME TAX CONSEQUENCES OF AN INVESTMENT IN THE PARTNERSHIP.

In addition to the particular matters set forth in this section, tax-exempt organizations should review carefully those sections of this Memorandum regarding liquidity and other financial matters to ascertain whether the investment objectives of the Partnership are consistent with their overall investment plans. Each prospective tax-exempt Limited Partner is urged to consult its own counsel regarding the acquisition of Interests.

Tax Treatment of Partnership Operations

Classification of the Partnership. The Partnership intends to operate as a partnership for federal tax purposes that is not a publicly traded partnership taxable as a corporation. If it were determined that the Partnership should be taxable as a corporation for federal tax purposes (as a result of changes in the Code, the Regulations or judicial interpretations thereof, a material adverse change in facts, or otherwise), the taxable income of the Partnership would be subject to corporate income tax when recognized by the Partnership; distributions of such income, other than in certain redemptions of Interests, would be treated as dividend income when received by the Partners to the extent of the current or accumulated earnings and profits of the Partnership; and Partners would not be entitled to report profits or losses realized by the Partnership.

The following discussion assumes that the Partnership will be treated in its entirety as a partnership for federal tax purposes.

As a partnership, the Partnership generally is not itself subject to federal income tax (see, however, "*Tax Elections; Returns; Tax Audits*" below). The Partnership files an annual partnership information return with the Service which reports the results of operations. Each Partner is required to report separately on its income tax return its distributive share of the Partnership's net long-term capital gain or loss, net short-term capital gain or loss and all other items of ordinary income or loss. Each Partner is taxed on its distributive share of the Partnership's taxable income and gain regardless of whether it has received or will receive a distribution from the Partnership.

Allocation of Profits and Losses. Under the Partnership Agreement, the Partnership's items of income, deduction, gain, loss or credit actually recognized by the Partnership for income tax purposes for each fiscal year generally are to be allocated for income tax purposes among the Partners and to their capital accounts in a manner consistent with the distributions of proceeds described above.

Tax Elections; Returns; Tax Audits. The Code generally provides for optional adjustments to the basis of partnership property upon distributions of partnership property to a partner and transfers of partnership interests (including by reason of death); provided that a partnership election has been made pursuant to Section 754. Under the Partnership Agreement, the General Partner, in its sole discretion, may cause the Partnership to make such an election. Any such election, once made, cannot be revoked without the Service's consent. As a result of the complexity and added expense of the tax accounting required to implement such an election, the General Partner presently does not intend to make such election.

The General Partner decides how to report the partnership items on the Partnership's tax returns. In certain cases, the Partnership may be required to file a statement with the Service disclosing one or more positions taken on its tax return, generally where the tax law is uncertain or a position lacks clear authority. All Partners are required under the Code to treat the partnership items consistently on their own returns, unless they file a statement with the Service disclosing the inconsistency. Given the uncertainty and complexity of the tax laws, it is possible that the Service may not agree with the manner in which the Partnership's items have been reported. Under partnership audit rules that generally take effect January 1, 2018, the "partnership representative" ("***REP***") (a function analogous to that of the tax matters partner" ("***TMP***") under prior law), would represent the Partnership before the IRS and may enter into a settlement with the IRS as to the partnership tax issues, which generally will be binding on all the partners. The new audit rules require, generally, that the partners in the taxable year that the audit is resolved must bear the tax liability arising from the audit, rather than the partners in the year(s) that the audit relates to (the "historical partners"). Similarly, only one judicial proceeding contesting an IRS determination may be filed on behalf of a partnership and all partners. The REP may consent to an extension of the statute of limitations for all partners with respect to partnership items. The Partnership has designated the General Partner as the REP. Under the new partnership audit regime, the REP may make certain elections, which, if applicable, would (i) remove the Partnership from the coverage of the new rules or (2) require that the historical partners be liable for the tax arising from the audit. The REP has up to 45 days to make the second election after receipt of notice of conclusion of the audit.

An audit adjustment to the Partnership's tax return for any tax year beginning after 2017 (a "***Prior Year***") could result in a tax liability (including interest and penalties) imposed on the Partnership for the year during which the adjustment is determined (the "***Current Year***"). The tax liability generally is determined by using the highest tax rates under the Code applicable to U.S. taxpayers although the Partnership may be able to use a lower rate to compute the tax liability by taking into account (to the extent it is the case and the implementing rules permit) that the Partnership has certain tax exempt and foreign partners. Alternatively, the Partnership may be able to elect to pass through such adjustments for any year to the partners who participated in the Partnership for the Prior Year, in which case each Prior Year participating partner, and not the Partnership, would be responsible for the payment of any tax deficiency, determined after including its share of the adjustments on its tax return for that year. If such an election is made by the Partnership, interest on any deficiency will be at a rate that is two percentage points higher than the otherwise applicable interest rate on tax underpayments. If such an election is not made, Current Year partners may bear the tax liability (including interest and penalties) arising from audit adjustments at significantly higher rates and in amounts that are unrelated to their Prior Year economic interests in the partnership items that were adjusted.

Mandatory Basis Adjustments. The Partnership is generally required to adjust its tax basis in its assets in respect of all Partners in cases of partnership distributions that result in a "substantial basis reduction" (i.e., in excess of $250,000) in respect of the Partnership's property. The Partnership is also required to adjust its tax basis in its assets in respect of a transferee, in the case of a sale or exchange of an interest, or a transfer upon death, when there exists a "substantial built-in loss" (i.e., in excess of $250,000) in respect of partnership property immediately after the transfer. For this reason, the Partnership will require (i) a Partner who receives a distribution from the Partnership in connection with a complete withdrawal, (ii) a transferee of an Interest (including a transferee in case of death) and (iii) any other Partner in appropriate circumstances to provide the Partnership with information regarding its adjusted tax basis in its Interest.

Tax Consequences to a Withdrawing Limited Partner

A Limited Partner receiving a cash liquidating distribution from the Partnership, in connection with a complete withdrawal from the Partnership, generally will recognize capital gain or loss to the extent of the difference between the proceeds received by such Limited Partner and such Limited Partner's adjusted tax basis in its partnership interest. Such capital gain or loss will be short-term, long-term, or some combination of both, depending upon the timing of the Limited Partner's contributions to the Partnership. However, a withdrawing Limited Partner will recognize ordinary income to the extent such Limited Partner's allocable share of the Partnership's "unrealized receivables" exceeds the Limited Partner's basis in such unrealized receivables (as determined pursuant to the Regulations). A Limited Partner receiving a cash non-liquidating distribution will recognize income in a similar manner only to the extent that the amount of the distribution exceeds such Limited Partner's adjusted tax basis in its partnership interest.

Distributions of Property. A partner's receipt of a distribution of property from a partnership is generally not taxable. However, under Section 731 of the Code, a distribution consisting of marketable securities may be treated as a distribution of cash (rather than property).

Tax Treatment of the Partnership's Business Activity

In General. The Partnership will likely realize ordinary income from the income it receives from its Portfolio Investments.

The maximum ordinary income tax rate for individuals is 37% and, in general, the maximum individual income tax rate for "Qualified Dividends" and long-term capital gains is 20% (unless the taxpayer elects to be taxed at ordinary rates – see "*Limitation on Deductibility of Interest and Short Sale Expenses*" below), although in all cases the actual rates may be higher due to the phase out of certain tax deductions, exemptions and credits. The excess of capital losses over capital gains may be offset against the ordinary income of an individual taxpayer, subject to an annual deduction limitation of $3,000. Capital losses of an individual taxpayer may generally be carried forward to succeeding tax years to offset capital gains and then ordinary income (subject to the $3,000 annual limitation). For corporate taxpayers, the maximum income tax rate is 21%. Capital losses of a corporate taxpayer may be offset only against capital gains, but unused capital losses may be carried back three years (subject to certain limitations) and carried forward five years.

In addition, individuals, estates and trusts are subject to a Medicare tax of 3.8% on net investment income ("***NII***") (or undistributed NII, in the case of estates and trusts) for each such taxable year, with such tax applying to the lesser of such income or the excess of such person's adjusted gross income (with certain adjustments) over a specified amount. NII includes net income from interest, dividends, annuities, royalties and rents and net gain attributable to the disposition of investment property. It is generally anticipated that net income and gain attributable to an investment in the Partnership will be included in an investor's NII subject to this Medicare tax. However, the calculation of NII for purposes of the Medicare tax and taxable income for purposes of the regular income tax may be different. Furthermore, the Medicare tax and the regular income tax may be due in different taxable years with respect to the same income. The application of the tax (and the availability of particular elections) is quite complex. Investors are urged to consult their tax advisers regarding the consequences of these rules in respect of their investments.

Application of Rules for Income and Losses from Passive Activities. The Code restricts the deductibility of losses from a "passive activity" against certain income which is not derived from a passive activity. This restriction applies to individuals, personal service corporations and certain closely held corporations.

To the extent the Partnership is characterized as being engaged in a trade or business with respect to its Portfolio Investments (which the Partnership believes it should be), income or loss of a Partner from the Partnership could constitute income or loss from a passive activity, subject to the restrictions on deductibility noted above. Moreover, a Partner's "passive income" from the Partnership may be offset by his or her "passive losses" from other activities.

In addition, pursuant to Temporary Regulations issued by the Treasury Department, all or a portion of the Partnership's net income from an "equity-financed lending activity", if any, will be characterized as non-passive. As described above, the Partnership may be treated as engaged in a trade or business, which may be considered the trade or business of lending money. To the extent that the Partnership is considered to be engaged in the trade or business of lending money, all or a portion of the net income from such business may constitute income from an "equity- financing lending activity" that is treated as non-passive. However, a net loss from such a business is generally expected to constitute a passive activity loss that is subject to the deductibility limitations described above. Investors should consult with their own tax advisors concerning the application of the "passive loss" rules to their specific circumstances.

Disallowance of Certain Itemized Deductions. **T**he General Partner intends to take the position that for Federal income tax purposes the Partnership is an investor in securities. As such, the expenses of the Partnership (other than interest expense. But including the Management Fee) would constitute "miscellaneous itemized deductions," and therefore would be deductible by an individual only to the extent that is allowable after taking into effect amendments to the Code made by the TCJA. The TCJA substantially limits a Partner's utilization of itemized deductions; Partners are advised to consult their tax advisors with respect to the TCJA's effect on their particular case.

Application of Basis and "At Risk" Limitations on Deductions. The amount of any loss of the Partnership that a Limited Partner is entitled to include in its income tax return is limited to its adjusted tax basis in its Interest as of the end of the Partnership's taxable year in which such loss occurred. Generally, a Limited Partner's adjusted tax basis for its Interest is equal to the amount paid for such Interest, increased by the sum of (i) its share of the Partnership's liabilities, as determined for federal income tax purposes, and (ii) its distributive share of the Partnership's realized income and gains, and decreased (but not below zero) by the sum of (i) distributions (including decreases in its share of Partnership liabilities) made by the Partnership to such Limited Partner and (ii) such Limited Partner's distributive share of the Partnership's realized losses and expenses.

Similarly, a Limited Partner that is subject to the "at risk" limitations (generally, non-corporate taxpayers and closely held corporations) may not deduct losses of the Partnership to the extent that they exceed the amount such

Limited Partner has "at risk" with respect to its Interest at the end of the year. The amount that a Limited Partner has "at risk" will generally be the same as its adjusted basis as described above, except that it will generally not include any amount attributable to liabilities of the Partnership or any amount borrowed by the Limited Partner on a non-recourse basis.

Losses denied under the basis or "at risk" limitations are suspended and may be carried forward in subsequent taxable years, subject to these and other applicable limitations.

Unrelated Business Taxable Income

An exempt organization, which is otherwise not subject to U.S. tax, is taxed on its "unrelated business taxable income" ("***UBTI***"). Generally, UBTI includes income or gain derived (either directly or through partnerships) from a trade or business, the conduct of which is substantially unrelated to the exercise or performance of the organization's exempt purpose or function.

An exempt organization's share of the income or gains of the Partnership may be treated as UBTI. An exempt organization's UBTI may not be offset by losses of the exempt organization (either from the Partnership or otherwise), unless such losses are treated as attributable to an unrelated trade or business (e.g., losses from investments for which there is acquisition indebtedness).

To the extent that the Partnership generates UBTI, the applicable federal tax rate for such a Limited Partner generally would be either the corporate or trust tax rate depending upon the nature of the particular exempt organization. An exempt organization may be required to support, to the satisfaction of the Service, the method used to calculate its UBTI. The Partnership will be required to report to a Partner which is an exempt organization information as to the portion of its income and gains from the Partnership for each year which will be treated as UBTI.

In general, if UBTI is allocated to an exempt organization such as a qualified retirement plan or a private foundation, the portion of the Partnership's income and gains which is not treated as UBTI will continue to be exempt from tax, as will the organization's income and gains from other investments which are not treated as UBTI. Therefore, the possibility of realizing UBTI from its investment in the Partnership generally should not affect the tax- exempt status of such an exempt organization. In addition, a charitable remainder trust will be subject to a 100% excise tax on any UBTI under Section 664(c) of the Code. A title-holding company will not be exempt from tax if it has certain types of UBTI. Moreover, the charitable contribution deduction for a trust under Section 642(c) of the Code may be limited for any year in which the trust has UBTI. A prospective investor should consult its tax adviser with respect to the tax consequences of receiving UBTI from the Partnership.

Certain Issues Pertaining to Specific Exempt Organizations

Private Foundations. Private foundations and their managers are subject to excise taxes if they invest "any amount in such a manner as to jeopardize the carrying out of any of the foundation's exempt purposes." This rule requires a foundation manager, in making an investment, to exercise "ordinary business care and prudence" under the facts and circumstances prevailing at the time of making the investment, in providing for the short-term and long-term needs of the foundation to carry out its exempt purposes. The factors which a foundation manager may take into account in assessing an investment include the expected rate of return (both income and capital appreciation), the risks of rising and falling price levels, and the need for diversification within the foundation's portfolio.

In order to avoid the imposition of an excise tax, a private foundation may be required to distribute on an annual basis its "distributable amount," which includes, among other things, the private foundation's "minimum investment return," defined as 5% of the excess of the fair market value of its non-functionally related assets (assets not used or held for use in carrying out the foundation's exempt purposes), over certain indebtedness incurred by the foundation in connection with such assets. It appears that a foundation's investment in the Partnership would most probably be classified as a non-functionally related asset. A determination that an interest in the Partnership is a non-functionally related asset could conceivably cause cash flow problems for a prospective Limited Partner which is a private foundation. Such an organization could be required to make distributions in an amount determined by reference to unrealized appreciation in the value of its interest in the Partnership. Of course, this factor would create less of a problem to the extent that the value of the investment in the Partnership is not significant in relation to the value of other assets held by a foundation.

In some instances, an investment in the Partnership by a private foundation may be prohibited by the "excess business holdings" provisions of the Code. For example, if a private foundation (either directly or together with a "disqualified person") acquires more than 20% of the capital interest or profits interest of the Partnership, the private foundation may be considered to have "excess business holdings." If this occurs, such foundation may be required to

divest itself of its interest in the Partnership in order to avoid the imposition of an excise tax. However, the excise tax will not apply if at least 95% of the gross income from the Partnership is "passive" within the applicable provisions of the Code and Regulations. There can be no assurance that the Partnership will meet such 95% gross income test.

A substantial percentage of investments of certain "private operating foundations" may be restricted to assets directly devoted to their tax-exempt purposes. Otherwise, generally, rules similar to those discussed above govern their operations.

Qualified Retirement Plans. Employee benefit plans subject to the provisions of ERISA, Individual Retirement Accounts and Keogh Plans should consult their counsel as to the implications of such an investment under ERISA and the Code. (See "*ERISA Considerations*.")

Endowment Funds. Investment managers of endowment funds should consider whether the acquisition of an Interest is legally permissible. This is not a matter of federal law, but is determined under state statutes. It should be noted, however, that under the Uniform Management of Institutional Funds Act, which has been adopted, in various forms, by a large number of states, participation in investment partnerships or similar organizations in which funds are commingled and investment determinations are made by persons other than the governing board of the endowment fund is allowed.

Excise Tax on Certain Reportable Transactions

A tax-exempt entity (including a state or local government or its political subdivision) may be subject to an excise tax equal to the greater of (i) one hundred percent (100%) of the net income or (ii) seventy-five percent (75%) of the proceeds, attributable to certain "reportable transactions", including "listed transactions", in which it participates. Under Regulations, these rules should not apply to a tax-exempt investor's Interest if such investor's tax- exempt status does not facilitate the Partnership's participation, if any, in such transactions, unless otherwise provided in future guidance. Tax-exempt investors should discuss with their own advisors the applicability of these rules to their investment in the Partnership. (See "*Tax Shelter Reporting Requirements*" below.)

Certain Reporting Obligations

Certain U.S. persons ("potential filers") that own (directly or indirectly) more than 50% of the capital or profits of the Partnership may be required to file FinCEN Form 114 (an "***FBAR***") with respect to the Partnership's investments in foreign financial accounts (if any). Failure to file a required FBAR may result in civil and criminal penalties. Potential filers should consult with their own advisors as to whether they are obligated to file an FBAR with respect to an investment in the Partnership.

Tax Shelter Reporting Requirements

The Regulations require the Partnership to complete and file Form 8886 ("***Reportable Transaction Disclosure Statement***") with its tax return for any taxable year in which the Partnership participates in a "reportable transaction." Additionally, each Partner treated as participating in a reportable transaction of the Partnership is generally required to file Form 8886 with its tax return (or, in certain cases, within sixty (60) days of the return's due date). If the Service designates a transaction as a reportable transaction after the filing of a taxpayer's tax return for the year in which the Partnership or a Partner participated in the transaction, the Partnership and/or such Partner may have to file Form 8886 with respect to that transaction within ninety (90) days after the Service makes the designation. The Partnership and any such Partner, respectively, must also submit a copy of the completed form with the Service's Office of Tax Shelter Analysis. The Partnership intends to notify the Partners that it believes (based on information available to the Partnership) are required to report a transaction of the Partnership, and intends to provide such Limited Partners with any available information needed to complete and submit Form 8886 with respect to the Partnership's transactions. In certain situations, there may also be a requirement that a list be maintained of persons participating in such reportable transactions, which could be made available to the Service at its request.

A Partner's recognition of a loss upon its disposition of an interest in the Partnership could also constitute a "reportable transaction" for such Partner, requiring such Partner to file Form 8886.

A significant penalty is imposed on taxpayers who participate in a "reportable transaction" and fail to make the required disclosure. The maximum penalty is $10,000 for natural persons and $50,000 for other persons (increased to $100,000 and $200,000, respectively, if the reportable transaction is a "listed" transaction). Investors should consult with their own advisors concerning the application of these reporting obligations to their specific situations.

State and Local Taxation

In addition to the federal income tax consequences described above, prospective investors should consider potential state and local tax consequences of an investment in the Partnership. State and local laws often differ from federal income tax laws with respect to the treatment of specific items of income, gain, loss, deduction and credit. A Partner's distributive share of the taxable income or loss of the Partnership generally will be required to be included in determining its reportable income for state and local tax purposes in the jurisdiction in which it is a resident. The TCJA substantially limits an individual Partner's ability to deduct state and local taxes; a Partner is advised to consult his or her tax advisor with respect to the effect of state and local taxation and tax compliance obligations in respect of an investment in the Partnership.

The tax laws of various states and localities limit or eliminate the deductibility of itemized deductions for certain taxpayers. As described above, the Partnership may be treated as engaged in a trade or business within the meaning of the Code. It is not anticipated that the Partnership's expenses associated with such trade or business will be subject to such limitations. However, certain expenses which are not associated with such trade or business may be limited in their deductibility in one or more states or localities. Moreover, there can be no assurance that various states and localities will not treat all of the Partnership's expenses, including interest expense, as investment expenses which are subject to such limitations. Prospective investors are urged to consult their tax advisors with respect to the impact of these provisions on the deductibility of certain itemized deductions, including interest expense, on their tax liabilities in the jurisdictions in which they are resident.

One or more states may impose reporting requirements on the Partnership and/or its Partners in a manner similar to that described above in "Tax Shelter Reporting Requirements." Investors should consult with their own advisors as to the applicability of such rules in jurisdictions which may require or impose a filing requirement.

Non-U.S. Partners

A non-U.S. person considering acquiring an Interest in the Partnership should consult his or its own tax advisors as to the U.S. federal, state and local tax consequences of an investment in the Partnership, as well as with respect to the treatment of income or gain received from the Partnership under the laws of his or its country of citizenship, residence or incorporation. The previous general discussion of the taxation of Partners in the Partnership may not be applicable to non-U.S. investors. The U.S. federal income tax treatment of a non-U.S. investor in the Partnership will depend on whether that investor is found, for U.S. federal income tax purposes, to be engaged in a trade or business in the United States as a result of its investment in the Partnership. Generally, a Partner would be deemed to be engaged in a trade or business in the United States, and would be required to file a U.S. tax return (and possibly one or more state or local returns) if the Partnership is so engaged. The Partnership expects to be engaged in a trade or business in the U.S.

In order to avoid a U.S. withholding tax of 30% on a non-U.S. investor's share of certain payments (including payments of gross proceeds) made with respect to certain actual and deemed U.S. investments, (i) such non-U.S. investor will generally be required to provide identifying information with respect to certain of its direct and indirect U.S. owners or (ii) if such non-U.S. investor is a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code, such non-U.S. investor generally will be required to timely register with the Service and agree to identify, and report information with respect to, certain of its direct and indirect U.S. account holders (including debtholders and equity holders). If a Limited Partner is a foreign financial institution, or invests in the Partnership through a foreign financial institution, the Partnership will require that such foreign financial institution (including the Limited Partner, if applicable) (i) meet the requirements of Section 1471(b)(1) or 1471(b)(2) of the Code and (ii) not delegate any withholding responsibility pursuant to Section 1471(b)(3) of the Code to the Partnership. Any such information provided to the Partnership will be shared with the Service. Non-U.S. investors should consult their own tax advisors regarding the possible implications of these rules on their investment in Interests.

To the extent the Partnership is engaged in a United States trade or business (as it expects to be), income and gain effectively connected with the conduct of that trade or business allocated to a non-U.S. Partner would subject such person to U.S. federal income tax on that income on a net basis at the same rates that are generally applicable to that particular type of investor which is a U.S. person. The Partnership is required to withhold U.S. income tax with respect to each non-U.S. Partner's share of the Partnership's effectively connected income. The amount withheld is reportable as a tax credit on the U.S. income tax return that such foreign Partner is required to file. Moreover, effectively connected earnings from the Partnership which are allocated to a non-U.S. corporate Partner and are not reinvested in a United States trade or business may be subject to a "branch profits tax."

Even if the Partnership is not engaged in a U.S. trade or business, the Partnership will be required to withhold tax with respect to a non-U.S. investor at the rate of 30% (or lower treaty rate, if applicable) on certain interest, dividends, “dividend-equivalent payments” and other income from U.S. sources, which may include U.S. source income from litigation investments.

If a non-U.S. individual owns a Partnership interest at the time of his death, the non-U.S. individual’s interest in the Partnership or its assets may be subject to U.S. estate taxation unless provided otherwise by applicable treaty.

The identity of a non-U.S. Partner may be disclosed on the Partnership’s U.S. tax return. In addition, non- U.S Partners may have to supply certain beneficial ownership statements to the Partnership (which would be available to the Service) in order to obtain reductions in U.S. withholding tax on interest and to obtain benefits under U.S. income tax treaties, to the extent applicable.

ERISA CONSIDERATIONS

THE FOLLOWING SUMMARY OF CERTAIN ASPECTS OF ERISA IS BASED UPON ERISA, JUDICIAL DECISIONS, DEPARTMENT OF LABOR REGULATIONS AND RULINGS IN EXISTENCE ON THE DATE HEREOF. THIS SUMMARY IS GENERAL IN NATURE AND DOES NOT ADDRESS EVERY ERISA ISSUE THAT MAY BE APPLICABLE TO THE PARTNERSHIP OR A PARTICULAR INVESTOR. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH ITS OWN COUNSEL IN ORDER TO UNDERSTAND THE ERISA ISSUES AFFECTING THE PARTNERSHIP AND THE INVESTOR.

General

Persons who are fiduciaries with respect to a U.S. employee benefit plan or trust within the meaning of and subject to the provisions of ERISA (an "***ERISA Plan***"), an IRA or a Keogh plan subject solely to the provisions of the Code[4] (an "***Individual Retirement Fund***") should consider, among other things, the matters described below before determining whether to invest in the Partnership. ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, U.S. Department of Labor ("***DOL***") regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes, the risk and return factors of the potential investment, the portfolio's composition with regard to diversification, the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan, the projected return of the total portfolio relative to the ERISA Plan's funding objectives, and the limitation on the rights of Limited Partners to withdraw all or any part of their Interests or to transfer their Interests. Before investing the assets of an ERISA Plan in the Partnership, a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in the Partnership may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

Plan Assets Defined

ERISA and applicable DOL regulations describe when the underlying assets of an entity in which benefit plan investors ("***Benefit Plan Investors***") invest are treated as "plan assets" for purposes of ERISA. Under ERISA, the term Benefit Plan Investors is defined to include an "employee benefit plan" that is subject to the provisions of Title I of ERISA, a "plan" that is subject to the prohibited transaction provisions of Section 4975 of the Code, and entities the assets of which are treated as "plan assets" by reason of investment therein by Benefit Plan Investors. Under ERISA, as a general rule, when an ERISA Plan invests assets in another entity, the ERISA Plan's assets include its investment, but do not, solely by reason of such investment, include any of the underlying assets of the entity. However, when an ERISA Plan acquires an "equity interest" in an entity that is neither: (a) a "publicly offered security"; nor (b) a security issued by an investment fund registered under the Investment Company Act, then the ERISA Plan's assets include both the equity interest and an undivided interest in each of the underlying assets of the entity, unless it is established that: (i) the entity is an "operating company"; or (ii) the equity participation in the entity by Benefit Plan Investors is limited. Under ERISA, the assets of an entity will not be treated as "plan assets" if Benefit Plan Investors hold less than 25% (or such higher percentage as may be specified in regulations promulgated by the DOL) of the value of each class of equity interests in the entity. Equity interests held by a person with discretionary authority or control with respect to the assets of the entity and equity interests held by a person who provides investment advice for a fee (direct or indirect) with respect to such assets or any affiliate of any such person (other than a Benefit Plan Investor) are not considered for purposes of determining whether the assets of an entity will be treated as "plan assets" for purposes of ERISA. The Benefit Plan Investor percentage of ownership test applies at the time of an acquisition by any person of the equity interests. In addition, an advisory opinion of the DOL takes the position that a redemption of an equity interest by an investor constitutes the acquisition of an equity interest by the remaining investors (through an increase in their percentage ownership of the remaining equity interests), thus triggering an application of the Benefit Plan Investor percentage of ownership test at the time of the redemption.

[4] References hereinafter made to ERISA include parallel references to the Code.

Limitation on Investments by Benefit Plan Investors

It is the current intent of the General Partner to monitor the investments in the Partnership to ensure that the aggregate investment by Benefit Plan Investors does not equal or exceed 25% of the value of any class of the Interests in the Partnership (or such higher percentage as may be specified in regulations promulgated by the DOL) so that assets of the Partnership will not be treated as "plan assets" under ERISA. Interests held by the General Partner and its affiliates are not considered for purposes of determining whether the assets of the Partnership will be treated as "plan assets" for the purpose of ERISA. If the assets of the Partnership were treated as "plan assets" of a Benefit Plan Investor, the General Partner would be a "fiduciary" (as defined in ERISA and the Code) with respect to each such Benefit Plan Investor, and would be subject to the obligations and liabilities imposed on fiduciaries by ERISA. In such circumstances, the Partnership would be subject to various other requirements of ERISA and the Code. In particular, the Partnership would be subject to rules restricting transactions with "parties in interest" and prohibiting transactions involving conflicts of interest on the part of fiduciaries which might result in a violation of ERISA and the Code unless the Partnership obtained appropriate exemptions from the DOL allowing the Partnership to conduct its operations as described herein. The Partnership reserves the right to require the withdrawal of all or part of the Interest held by any Limited Partner, including, without limitation, to ensure compliance with the percentage limitation on investment in the Partnership by Benefit Plan Investors as set forth above.

Representations by Plans

An ERISA Plan proposing to invest in the Partnership will be required to represent that it is, and any fiduciaries responsible for the ERISA Plan's investments are, aware of and understand the Partnership's investment objectives, policies and strategies, and that the decision to invest plan assets in the Partnership was made with appropriate consideration of relevant investment factors with regard to the ERISA Plan and is consistent with the duties and responsibilities imposed upon fiduciaries with regard to their investment decisions under ERISA. WHETHER OR NOT THE ASSETS OF THE PARTNERSHIP ARE TREATED AS "PLAN ASSETS" UNDER ERISA**,** AN INVESTMENT IN THE PARTNERSHIP BY AN ERISA PLAN IS SUBJECT TO ERISA. ACCORDINGLY, FIDUCIARIES OF ERISA PLANS SHOULD CONSULT WITH THEIR OWN COUNSEL AS TO THE CONSEQUENCES UNDER ERISA OF AN INVESTMENT IN THE PARTNERSHIP.

ERISA Plans and Individual Retirement Funds Having Prior Relationships with the General Partner or its Affiliates

Certain prospective ERISA Plan and Individual Retirement Fund investors may currently maintain relationships with the General Partner or other entities that are affiliated with the General Partner. Each of such entities may be deemed to be a party in interest to and/or a fiduciary of any ERISA Plan or Individual Retirement Fund to which any of the General Partner or its affiliates provides investment management, investment advisory or other services. ERISA prohibits ERISA Plan assets to be used for the benefit of a party in interest and also prohibits an ERISA Plan fiduciary from using its position to cause the ERISA Plan to make an investment from which it or certain third parties in which such fiduciary has an interest would receive a fee or other consideration. Similar provisions are imposed by the Code with respect to Individual Retirement Funds. ERISA Plan and Individual Retirement Fund investors should consult with counsel to determine if participation in the Partnership is a transaction that is prohibited by ERISA or the Code. The provisions of ERISA are subject to extensive and continuing administrative and judicial interpretation and review. The discussion of ERISA contained herein is, of necessity, general and may be affected by future publication of regulations and rulings. Potential investors should consult with their legal advisors regarding the consequences under ERISA of the acquisition and ownership of Interests.

RESTRICTIONS ON TRANSFER OF INTERESTS

The Interests offered hereby have not been registered under the Securities Act, in reliance upon the exemptions provided by the Securities Act and Regulation D thereunder, nor have the Interests been registered under the securities laws of any state in which they will be offered in reliance upon applicable exemptions in such states. Therefore, the Interests cannot be reoffered or resold unless they are subsequently registered under the Securities Act and any other applicable state securities laws or an exemption from registration is available under the Securities Act or such other laws. Pursuant to the terms of the Subscription Agreement, Limited Partners shall agree to pledge, transfer, convey or otherwise dispose of their Interests only in a transaction that is the subject of (i) an effective registration under the Securities Act and any applicable state securities laws or (ii) an opinion of counsel satisfactory to the Partnership to the effect that the registration of such transaction is not required. Accordingly, prospective investors in the Partnership must be willing to bear the economic risk of an investment in the Partnership for the term of the Partnership.

ADDITIONAL INFORMATION

This Memorandum includes summaries of certain provisions of the Partnership Agreement and of other relevant agreements and documents pertaining to the Partnership. Such summaries do not purport to be complete and are qualified in their entirety by reference to the original documents and by reference also to the definitions contained therein, which may differ from common usage.

The Limited Partners are urged to read all such documents in their entirety for a full understanding of the financial and other aspects of an investment in the Partnership.

The General Partner will make available to any prospective Limited Partner such relevant information as it may possess, or as it can acquire without unreasonable effort or expense, to verify or supplement the information set forth herein. No other person or entity has been authorized to make representations or give any information other than that contained in this Memorandum. Only those representations expressly set forth herein and actual documents (summarized herein) which are furnished upon request to an offeree or his representative may be relied upon as having been authorized by the Partnership or the General Partner in connection with this offering.

SUBSCRIPTION FOR AN INTEREST

Persons interested in becoming Limited Partners will be furnished with, and will be required to complete and return to the General Partner, a Subscription Agreement and certain other documents. There will be no sales charges to investors in connection with the offering of Interests.

PRIVACY NOTICE

R&S AVALANCHE INFRASTRUCTURE FUND, LP

Current regulations require financial institutions (including investment funds) to provide their investors with an initial and annual privacy notice describing the institution's policies regarding the sharing of information about their investors. In connection with this requirement, we are providing this Privacy Notice to each of our investors.

We do not disclose nonpublic personal information about our investors or former investors to third parties other than as described below.

We collect information about you (such as name, address, social security number, assets and income) from our discussions with you, from documents that you may deliver to us (such as subscription documents) and in the course of providing services to you. In order to service your account and effect your transactions, we may provide your personal information to our affiliates and to firms that assist us in servicing your account and have a need for such information, such as the advisor, fund administrator, accountants or auditors (if any). We do not otherwise provide information about you to outside firms, organizations or individuals except as required or permitted by law. Any party that receives this information will use it only for the services required and as allowed by applicable law or regulation and is not permitted to share or use this information for any other purpose.

Rise & Shine Partners, LLC
The General Partner of R&S Avalanche Infrastructure Fund, LP
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