RICHEY MAY | Alternative Investments

REPORT OF INDEPENDENT AUDITORS & FINANCIAL STATEMENTS

XYZ HEDGE FUND (DIGITAL ASSETS)
for the year ended December 31, 2024

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INDEPENDENT AUDITORS' REPORT

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RICHEY MAY

		December 31, 2024
ASSETS		
Investments in securities, at fair value (cost $XX,XXX)	$	-
Investments in digital assets, at fair value (cost $XX,XXX)		-
Investments in private investment companies, at fair value (cost $XX,XXX)		-
Repurchase agreements, at fair value (cost $XX,XXX)		-
Derivative contracts, at fair value (cost $XX,XXX)		-
Due from broker(s)		-
Due from exchange(s)		-
Cash and cash equivalents		-
Cash denominated in foreign currencies (cost $XX,XXX)		-
Interest receivable		-
Dividends receivable		-
Receivables for pending investment transactions		-
Receivables from related parties		-
Collateral for derivative contracts		-
Other assets		-
TOTAL ASSETS	**$**	**-**
LIABILITIES AND PARTNERS' CAPITAL		
Investments in securities sold short, at fair value (proceeds $XX,XXX)	$	-
Investments in digital assets sold short, at fair value (proceeds $XX,XXX)		-
Reverse repurchase agreements, at fair value (proceeds $XX,XXX)		-
Derivative contracts, at fair value (cost $XX,XXX)		-
Due to broker(s)		-
Due to exchange(s)		-
Payables for pending investment transactions		-
Dividends payable		-
Interest payable		-
Due to related parties		-
Accrued expenses		-
Management fees payable		-
Notes payable		-
Capital contributions received in advance		-
Capital withdrawals payable		-
Other liabilities		-
TOTAL LIABILITIES		**-**
PARTNERS' CAPITAL		**-**
TOTAL LIABILITIES AND PARTNERS' CAPITAL	**$**	**-**

[1] Receivable and payables for pending investment transactions can be grouped with Due from(to) broker balances. They are NOT required to be broken out as a separate line item.

SHARES/ PRINCIPAL/ CONTRACTS HELD		PERCENTAGE OF PARTNERS' CAPITAL	FAIR VALUE
			December 31, 2024
	INVESTMENT IN SECURITIES, AT FAIR VALUE		
SHARES HELD	**Common stock**		
	United States of America	%	$
	Technology		
XX,XXX	ABC Tech Inc.	-	-
	Health care	-	-
	Energy	-	-
	Financials	-	-
	Total United States of America (cost $XX,XXX)	-	-
	Japan		
	Healthcare		
XX,XXX	XYZ Medical Inc.	-	-
	Other	-	-
	Total Japan (cost $XX,XXX)	-	-
	Total common stock (cost $XX,XXX)	-	-
SHARES HELD	**Preferred stock**		
	United States of America		
	Technology	-	-
	Healthcare	-	-
	Total preferred stock (cost $XX,XXX)	-	-
PRINCIPAL HELD	**Corporate bonds**		
	United States of America		
	Technology		
XX,XXX	ABC Tech Inc., 4%, 12/15/25	-	-
	Other	-	-
	Total corporate bonds (cost $XX,XXX)	-	-
	Total Investment in securities, at fair value (cost $XX,XXX)	**- %**	**$ -**

December 31, 2024

SHARES/ PRINCIPAL/ CONTRACTS HELD		PERCENTAGE OF PARTNERS' CAPITAL	FAIR VALUE
	INVESTMENTS IN DIGITAL ASSETS, AT FAIR VALUE		
QUANTITY HELD	**Digital assets**		
	Global	%	$
XXXX	Bitcoin	-	-
	Other	-	-
	Total digital assets (cost $XX,XXX)	**- %**	**$ -**
QUANTITY HELD	**Non-fungible tokens (NFTs)**		
	Global		
XXXX	Cryptopunks	-	-
	Other	-	-
	Total non-fungible tokens (NFTs) (cost $XX,XXX)	-	-
QUANTITY HELD	**Simple agreement for future tokens (SAFTs)**		
	Global		
XXXX	DEF Crypto Project Ltd.	-	-
	Other	-	-
	Total simple agreement for future tokens (SAFTs) (cost $XX,XXX)	**- %**	**$ -**
	Total investments in digital assets, at fair value (cost $XX,XXX)	**- %**	**$ -**
	INVESTMENTS IN PRIVATE INVESTMENT COMPANIES, AT FAIR VALUE		
SHARES HELD	**Preferred stocks**		
	United States of America	%	$
	Financials		
XXXX	LMN Studios, Inc.	-	-
	Other	-	-
	Total preferred stocks (cost $XX,XXX)	**- %**	**$ -**
	Simple agreement for future equity (SAFEs)		
	United States of America	%	$
	Energy	-	
	Financials	-	-
	Total simple agreement for future equity (SAFEs) (cost $XX,XXX)	**- %**	**$ -**
	Total investments in private companies, at fair value (cost $XX,XXX)	**- %**	**$ -**

December 31, 2024

SHARES/ PRINCIPAL/ CONTRACTS HELD		PERCENTAGE OF PARTNERS' CAPITAL			FAIR VALUE
	DERIVATIVE CONTRACTS, AT FAIR VALUE - ASSETS				
CONTRACTS HELD	**Options**				
	Put options		%	$	
	United States of America				
XX,XXX	Indices (cost $XX,XXX)	-			-
	Call options	-			-
	United States of America	-			-
	Indices (cost $XX,XXX)	-			-
	Total derivative contracts, at fair value - assets (cost $XX,XXX)	-	**%**	**$**	-

* No individual investment represents greater than 5% of partners' capital.
** Digital assets in Bitcoin having a total fair value of $XXX were staked out via smart contract protocols as of December 31, 2023.
*** SAFTs include unvested tokens to be delivered to the Fund based on underlying vesting schedule terms.

Digital assets do not have a country of origin and are disclosed as global.

Digital assets having a total fair value of $XXX were staked out via smart contract protocols as of December 31, 2023.

Certain digital assets held by the Fund are digital assets that provide economic exposure to a specific basket of other digital assets via smart contract protocols. On a look-through basis, the Fund holds additional exposure to other digital assets. Look-through basis exposure is only presented for digital assets greater than 5% of the partners' capital.

December 31, 2023

SHARES/ PRINCIPAL/ CONTRACTS HELD		PERCENTAGE OF PARTNERS' CAPITAL			FAIR VALUE
	INVESTMENTS IN SECURITIES SOLD SHORT, AT FAIR VALUE				
SHARES HELD	**Common stocks**				
	United States of America		%	$	
	Mining	-			-
	Transportation	-			-
	Total United States of America (proceeds $XX,XXX)	-	%	$	
	United Kingdom				
	Services (proceeds $XX,XXX)	-			-
	Total investments in securities sold short, at fair value (proceeds $XXXXX)	-	**%**	**$**	-

		December 31, 2024			
SHARES/ PRINCIPAL/ CONTRACTS HELD		**PERCENTAGE OF PARTNERS' CAPITAL**			**FAIR VALUE**
	INVESTMENTS IN DIGITAL ASSETS SOLD SHORT, AT FAIR VALUE				
QUANTITY HELD	**Digital assets**				
	Global		%	$	
	Ethereum	-			-
XX,XXX	Other	-			-
	Total investments in digital assets sold short, at fair value (proceeds $XXXXX)	-	**%**	**$**	-
	DERIVATIVE CONTRACTS, AT FAIR VALUE - LIABILITIES				
CONTRACTS HELD	**Options**				
	Put options		%	$	
	United States of America				
XX,XXX	ABC Option, Expiry Date, Strike Price (proceeds $XX,XXX)	-			-
	Call options				
	United States of America				
	Indices (proceeds $XX,XXX)	-			-
	Total options (proceeds $XX,XXX)	-			-
	Futures				
	United States of America				
XX,XXX	ABC Future, Expiry Date	-			-
	Indices	-			-
	Total futures	-			-
	Total derivative contracts, at fair value - liabilities (proceeds $XX,XXX)	-	**%**	**$**	-

* No individual investment represents greater than 5% of partners' capital.

Digital assets do not have a country of origin and are disclosed as global.

Digital assets-liabilities having a total fair value of $XXX were staked out via smart contract protocols as of December 31, 2023.

Certain digital assets held by the Fund are digital assets that provide economic exposure to a specific basket of other digital assets via smart contract protocols. On a look-through basis, the Fund holds additional exposure to other digital assets. Look-through basis exposure is only presented for digital assets greater than 5% of the partners' capital.

	Year Ended December 31, 2024
INVESTMENT INCOME	
Staking and reward income	$ -
Dividend income (net of U.S. and foreign tax withholdings of $XXX)	-
Interest income	-
Other income	-
Total investment income	-
EXPENSES	
Dividend expense	-
Interest expense	-
Management fees	-
Professional fees	-
Administration fees	-
Custody fees	-
Other expenses	-
Total expenses	-
NET INVESTMENT INCOME/(LOSS)	**-**
REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS	
Net realized gain/(loss) on investments and foreign currency transactions	-
Net change in unrealized appreciation or depreciation on investments and foreign currency transactions	-
Net realized gain/(loss) on derivatives	-
Net change in unrealized appreciation or depreciation on derivatives	-
NET REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS	**-**
NET INCOME/(LOSS)	**$ -**

Year Ended December 31, 2024

	LIMITED PARTNERS	GENERAL PARTNER	TOTAL
Balance, December 31, 2022	$ -	$ -	$ -
Capital contributions	-	-	-
Capital withdrawals	-	-	-
Capital transfers	-	-	-
Allocation of net income/(loss):			
Pro-rata allocation	-	-	-
Incentive allocation	-	-	-
Balance, December 31, 2023	**$ -**	**$ -**	**$ -**

	Year Ended December 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net income/(loss)	$ -
Adjustments to reconcile net income/(loss) to net cash provided by (used in) operating activities:	
Net realized gain/(loss) on investments and foreign currency transactions	-
Net change in unrealized appreciation or depreciation on investments and foreign currency transactions	-
Net realized gain/(loss) on derivatives contracts	-
Net change in unrealized appreciation or depreciation on derivatives contracts	-
Amortization of premium and accretion of discount on securities	-
Purchases of investments	-
Proceeds from sales of investments	-
Payments to cover securities sold short	-
Proceeds from securities sold short	-
Changes in assets and liabilities:	
Due from broker(s)	-
Due from exchange(s)	-
Interest receivable	-
Dividends receivable	-
Receivables from related parties	-
Collateral for derivative contracts	-
Other assets	-
Due to broker(s)	-
Due to exchange(s)	-
Dividends payable	-
Interest payable	-
Due to related parties	-
Accrued expenses	-
Management fees payable	-
Other liabilities	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	-
CASH FROM FINANCING ACTIVITIES:	
Proceeds from capital contributions, net of change in capital contributions received in advance	-
Payments for capital withdrawals, net of change in capital withdrawals payable	-
Proceeds from notes payable	-
Payments for notes payable	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	-
CASH AND CASH EQUIVALENTS, END OF YEAR	**$ -**
SUPPLEMENTAL INFORMATION	
Cash paid for interest	$ -
SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING ACTIVITIES	
Digital assets contributed, at fair value	$ -
Securities contributed, at fair value	$ -
Digital assets distributed, at fair value	$ -
Securities distributed, at fair value	$ -

* Digital assets to digital assets investment purchases and sales activity is included in the purchases and sales cash activity disclosed above.
** In-kind non-cash transactions are not included in this amount.

A. ORGANIZATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

XYZ Hedge Fund (the Fund) a Delaware limited partnership, was formed on May 1, 20XX and commenced operations on June 1, 20XX. Pursuant to a limited partnership agreement dated June 1, 20XX (the LPA), the Fund is managed by XYZ General Partner (the General Partner) and XYZ Investment Manager (the Investment Manager). The Fund shall continue indefinitely, provided however, the Fund shall be dissolved upon the occurrence of any events set forth in the LPA.

The Fund was formed for the purpose of **INSERT STRATEGY FROM PPM/LPA**.

[IF APPLICABLE] The Investment Manager is registered with the United States Securities and Exchange Commission as a registered investment adviser. Refer to the Fund's offering memorandum for more information.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) and are stated in U.S. dollars.

In accordance with the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 946, *Financial Services – Investment Companies* (ASC 946), the Fund has determined that it is an investment company and has applied the guidance in accordance with ASC 946.

[IF APPLICABLE] In accordance with the LPA, management has formalized a plan of liquidation to close the Fund in an orderly manner.

[IF APPLICABLE] Basis of Consolidation

The accompanying consolidated financial statement include the accounts of the Fund and its wholly owned subsidiary, an investment company established for the general purpose of executing specific investment transactions on behalf of the Fund. All significant intercompany accounts and transactions have been eliminated in the accompanying consolidated financial statements.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management of the Fund to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

[Condensed] Schedule of Investments

The industry classifications included in the (condensed) schedule of investments represent management's belief as to the most meaningful presentation of the classification of the Fund's investments.

Cash and Cash Equivalents

The Fund considers cash equivalents to be short-term, highly liquid investments, such as money market funds that are readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value due to changes in interest rates, which generally includes only investments with original maturities of three months or less.

Restricted Cash

The Fund maintains cash balances that are restricted under various agreements.

Due From/To Broker(s)

Due from broker consists primarily of cash and cash equivalents **[IF APPLICABLE]** (which include foreign cash balances), cash collateral with the Fund's clearing broker and counterparties, and the amounts receivable or payable for securities that have not yet settled at December 31, 20XX. Cash at broker which is related to securities sold, not yet purchased, and deposits on transactions are restricted until these securities are purchased or until the transactions are settled or terminated. Cash balances held at the broker, as well as securities owned by the Fund serve as collateral for margin account debit balances existing at the broker.

[IF APPLICABLE] At December 31, 20XX, due from broker(s) includes pledged collateral to counterparties related to OTC derivative contracts of $X,XXX,XXX and received collateral from counterparties related to OTC derivative contracts of $XXX,XXX. **[IF APPLICABLE]** Also at December 31, 20XX, due from broker(s) includes $XXX,XXX of initial and variation margin related to its futures trading activities.

[Use if Fund is subject to tri-party collateral agreement] The Fund entered into collateral account control agreements with [INSERT DERIVATIVE COUNTERPARTY] (the Secured Party) and [INSERT PRIME BROKER] (the Securities Intermediary) to mitigate the risk associated with its derivative counterparties. Upon entering into a derivative contract, the Fund posts collateral to the Secured Party, which is held in custody by the Securities Intermediary. The Fund does not have the ability to transfer collateral unless certain contingent events occur. As of December 31, 20XX, approximately $XX,XXX,XXX of collateral receivable posted to the Secured Party is held by the Securities Intermediary, which is included in due from brokers on the statement of financial condition.

Due From/To Exchange(s)

In the normal course of business, certain of the Fund's transactions, money balances and positions are transacted with the Fund's digital asset exchanges. Due from exchange represents cash held at digital asset exchanges. The Fund is subject to credit risk to the extent an exchange with which it conducts business is unable to fulfill contractual obligations on its behalf. The Fund's management monitors the financial condition of such exchanges and does not anticipate any losses from these counterparties. As of December 31, 20XX, there is $XXX,XXX and $XXX,XXX of cash held with [INSERT EXCHANGE NAME] and [INSERT EXCHANGE NAME], respectively. Cash held at digital asset exchanges is not insured by the FDIC or the SIPC.

Digital Asset Translation

Assets and liabilities denominated in digital currencies are translated into U.S. dollar amounts at the date of valuation. Transactions in digital currencies, including purchases and sales of investments and items of income and expenses, are translated into U.S. dollar amounts as of the relevant transaction date. Gains and losses arising from digital asset transactions are included with net realized gain (loss) on digital assets [Update to match statement of operations] and net change in unrealized appreciation (depreciation) on digital assets [Update to match statement of operations], respectively, in the statement of operations.

Investment Transactions, Income and Expenses

Investment transactions are accounted for on the date the investments are purchased or sold (trade date basis). Net realized gains and losses from investment transactions are reported based on the [INSERT COST BASIS METHOD [i.e. average cost method, specific identification method]. Interest income and expenses are accrued and recorded as earned and incurred. **[IF APPLICABLE]** Interest income is no longer accrued and interest receivable is written off when deemed uncollectible. Dividend income and expenses are recognized on the ex-dividend date. **[IF APPLICABLE]** Dividend income on foreign investments is recorded net of any applicable withholding tax. Distributions that represent returns of capital in excess of cumulative profits and losses are credited to investment cost rather than investment income.

The Fund derecognizes a digital asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the digital asset expire or are transferred or in which the Fund neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the digital asset. The Fund derecognizes digital assets sold short when the Fund has extinguished the liability. The liability arising from digital assets sold short extinguishes upon purchase of digital assets to cover digital assets sold short. On derecognition, the difference between the carrying value of the asset (or the carrying value allocated to the portion of the asset that is derecognized) and the consideration received (including the fair value of any new assets obtained less any new liabilities assumed) is recognized as realized gain or loss on the statement of operations.

[IF APPLICABLE] Investment transactions representing exchanges of digital assets are classified as non-cash transactions and are recorded based on the fair value or the exchanged assets. Typically, the cost of the acquired digital asset is the fair value of the digital asset surrendered, and a gain or loss is recognized as a result of the disposition of the surrendered digital asset. Alternatively, the fair value of the acquired digital asset may be used to measure its cost if it is more clearly evident than the fair value of the surrendered digital asset. Exchanges of digital assets are disclosed as non-cash activities in the supplemental disclosures of the statement of cash flows.

[IF APPLICABLE] Premiums are amortized and discounts are accreted to interest income over the lives of the debt investments.

[IF APPLICABLE] Discounts for debt securities are not amortized to the extent that interest income is not expected to be realized.

Hard Forks and Airdrops

Many digital assets are open-source projects with a core group of developers, however there is no developer or group of developers with formal control. Any individual with the open-source network software can make software modifications, which users and miners may consent to by downloading the altered software or upgrade that implements the changes. If a modification is not accepted by a vast majority of users and miners but is accepted by a substantial population of participants in the project, a "hard fork" in the blockchain can develop two separate networks, one running the pre-modification software and the other running the modified version. This kind of split could materially and adversely affect the value of the Fund's investments and in the worst-case scenario, harm the sustainability of the affected digital assets. The Fund generally records receipt of a new digital asset created due to a hard fork at the time the hard fork is effective. Some exchanges do not honor hard forks or may honor hard forks in the future. In such cases, the Fund will record receipt of the new digital asset at the time the exchange announces it will credit the Fund's account. The Fund does not allocate any of the original digital asset's cost to the new digital asset and recognizes unrealized gains equal to the fair value of the new digital asset received.

The Fund may receive "airdrops" of new digital assets. The use of airdrops is generally to promote the launch and use of new digital assets by providing a small amount of such new digital assets to the private wallets or exchange accounts that support the new digital asset and that hold existing related digital assets. Unlike hard forks, airdropped digital assets can have substantially different blockchain technology that has no relation to any existing digital asset. The Fund generally records receipt of airdropped digital assets when received and valuation of digital assets is determinable. Digital assets received from airdrops have a cost basis based on the value of the digital assets at the point of receipt when valuation of the digital assets is determinable or in certain cases have zero cost basis if the underlying digital assets have no reported value and the Fund subsequently recognizes unrealized gains and losses equal to the fair value of the new digital asset received.

Staking and Reward and Liquidity Pool Activity

During the year ended December 31, 20XX, the Fund participated in staking activities, which required the Fund to post certain digital assets for a period of time to a staking address and earned a staking reward for validating transactions. Staking and reward income is derived from contributing assets into a protocol (sometimes known as a decentralized exchange or DEX) pursuant to a contract embedded in the protocol's software code. The contributed assets are used for financial purposes specified in the software code such as lending or market making, with the income generally being a function of the terms and volume of those activities. The Fund engages in the use of decentralized applications, or "DAPPS", in order to generate yield and other forms of staking and reward income using digital assets as collateral. DAPPS solely exist on smart contract enabling blockchains and the use of DAPPS present varying degrees of smart contract risk. Smart contracts utilize code to execute functions automatically when the encoded triggering conditions are met.

Staking and reward income is recorded on an accrual basis at the fair value of the digital assets received, which is generally identified using on-chain data such as the month end price and the total number of digital asset rewards received during the month (or using the daily end price and the total number of digital asset rewards received during the day when staking and reward income is determinable, accrued, and earned on any day that does not fall at month end). In some instances, the nature of the change in value or increase in quantity is not specifically identified on-chain as rewards income, in which cases the Fund may utilize the timing and pattern of the price and/or quantity changes to determine if such amounts are staking and rewards income. The fair value of the digital assets received is the amount recognized as staking and reward income. Any subsequent change in fair value of digital assets is reflected in the net change in unrealized appreciation (depreciation) on digital assets [Update to match statement of operations] in the statement of operations. In certain cases of staking and reward activity, the Fund holds a single token that represents both the rights to the rewards income and the economic ownership of the mix/basket of digital assets that have been contributed by the

Fund into a protocol or smart contract. At times, it may be difficult to track the allocation of or classification of total gains or losses from the token between staking and reward income and net realized gains or losses due to the changing value of the contributed digital assets. In those cases, management of the Fund relies on best estimates based on the amount and timing of the value changes.

The staking and reward income earned during the year ended December 31, 20XX from applicable activities totaled $XXX,XXX and is included in the statement of operations under investment income.

[IF APPLICABLE] The Fund entered into various liquidity pools, which exist on decentralized platforms as automated liquidity providers, powered by smart contracts. The Fund initiates its investment into the pool by providing digital assets to a pool in return for a liquidity pool token ("LP token"). The Fund recognizes a new asset in the form of the LP tokens received, and de-recognizes the underlying liquidity pool assets on its books. At any point in time the Fund may return all or a portion of its LP tokens in exchange for the Fund's proportionate ownership of the underlying liquidity pool assets. A gain or loss is recognized when the Fund enters into the liquidity pool based on it de-recognizing the underlying liquidity pool tokens and when returning all or a portion of its LP tokens in exchange for the proportionate ownership of the underlying liquidity pool assets. The fair value of such LP token(s) as of December 31, 20XX is/are $XXX,XXX [or] As of December 31, 20XX the Fund held no LP token(s).

OR

[IF APPLICABLE] The Fund entered into various liquidity pools, which exist on decentralized platforms as automated liquidity providers, powered by smart contracts. The Fund initiates its investment into the pool by providing digital assets to a pool in return for a liquidity pool token ("LP token"). The Fund does not recognize a new asset in the form of the LP token received, and continues to recognize the underlying LP token in exchange for the Fund's proportionate ownership of the underlying liquidity pool assets. A realized gain or loss is recognized on the investment in a LP token based on the daily change of proportionate ownership of the underlying liquidity pool assets. These amounts are included in the statement of operations as net realized gains and losses on digital assets [Update to match statement of operations]. The fair value of such LP token(s) as of December 31, 20XX is/are $XXX,XXX [or] As of December 31, 20XX the Fund held no LP token(s).

Foreign Currency Translation

The books and records of the Fund are maintained in U.S. dollars. All assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the valuation date. Purchases and sales of investments and income items denominated in foreign currencies are translated into U.S. dollar amounts on the respective dates of such transactions. The portion of realized and unrealized gains or losses on investments due to fluctuations in foreign currency exchange rates is not separately accounted for and is therefore included in net realized and unrealized gains or losses on investments in the statement of operations.

Income Taxes

[CHOOSE ONE]

[For LP and LLC Structures]

The Fund is taxed as a partnership under the Internal Revenue Code. Accordingly, no federal or state income tax provision has been included in the financial statements, as all items of income and expense generated by the Fund are reported on the partners' personal income tax returns. **[IF APPLICABLE]** However, certain U.S. dividend income and interest income may be subject to a maximum 30% withholding tax for those limited partners that are foreign entities or foreign individuals. **[IF APPLICABLE]** Further, certain non-U.S. dividend income may be subject to a tax at prevailing treaty or standard withholding rates with the applicable country or local jurisdiction. The Fund files U.S. federal and state partnership tax returns, of which, the open tax years subject to examination by taxing authorities include the years ended December 31, 20XX, 20XX, and 20XX. The Fund has no federal or state tax examinations in process as of December 31, 20XX.

In accordance with ASC 740, Income Taxes, the Fund is required to evaluate whether its tax positions taken or expected to be taken are more likely than not to be sustained upon examination by the applicable taxing authority. Tax positions not deemed to meet a more likely than not threshold would be recorded as a tax expense in the current year. **[Include the following only if the Fund has not recognized a liability for unrecognized tax benefits.]** As of December 31, 20XX, the Fund has determined that no provision for income taxes is required and no liability for unrecognized tax benefits has been recorded. The Fund does not expect that its assessment regarding unrecognized tax benefits will materially change over the next 12 months. However, the Fund's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, compliance with U.S. federal, U.S. state and foreign tax laws in which the Fund operates, and changes in the administrative practices and precedents of the relevant taxing authorities.

[For Offshore Fund Structures]

Under the laws of the Cayman Islands, the Fund is generally not subject to income taxes. Further, certain non-U.S. dividend and interest income may be subject to a tax at prevailing treaty or standard withholding rates with the applicable country or local jurisdiction. The Fund is subject to income tax examinations by major taxing authorities from inception

In accordance with ASC 740, Income Taxes, the Fund is required to evaluate whether its tax positions taken or expected to be taken are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. Tax positions not deemed to meet a more likely than not threshold would be recorded as a tax expense in the current year. **[Include the following only if the Fund has not recognized a liability for unrecognized tax benefits.]** As of December 31, 20XX, the Fund has determined that no provision for income taxes is required and no liability for unrecognized tax benefits has been recorded. The Fund does not expect that its assessment regarding unrecognized tax benefits will materially change over the next 12 months. However, the Fund's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, the nexus of income among various tax jurisdictions, compliance with the Cayman Islands, U.S. federal, U.S. state and foreign tax laws of jurisdictions in which the Fund operates, and changes in the administrative practices and precedents of the relevant taxing authorities.

Offsetting of Amounts Related to Certain Contracts

[Choose one of the following paragraphs based on the election of the Fund.]

The Fund has elected to offset fair value amounts recognized for cash collateral receivables and payables against fair value amounts recognized for derivative positions executed with the same counterparty under the same master netting arrangement. At December 31, 20XX, the Fund offset cash collateral receivables and payables of $X,XXX,XXX and $X,XXX,XXX respectively, against its derivative positions. At December 31, 20XX, the Fund had cash collateral receivables and payables of $XX,XXX and $XX,XXX, respectively, with derivative counterparties under the same master netting arrangement that were not eligible to be offset against its derivative positions.

OR

The Fund has elected not to offset fair value amounts recognized for cash collateral receivables and payables against fair value amounts recognized for derivative positions executed with the same counterparty under the same master netting arrangement. At December 31, 20XX, the Fund had cash collateral receivables and payables of $XX,XXX and $XX,XXX, respectively, with derivative counterparties under the same master netting arrangement.

B. FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures* (ASC 820), defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not assumptions specific to the entity.

ASC 820 specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon the market data obtained from independent sources (observable inputs). In accordance with ASC 820, the following summarizes the fair value hierarchy:

Level 1 Inputs – Unadjusted quoted market prices for identical assets and liabilities in an active market that the Fund has the ability to access.

Level 2 Inputs – Inputs other than the quoted market prices in active markets that are both observable either directly or indirectly. These inputs may include quoted prices for an identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield-curves, default rates, and similar data.

Level 3 Inputs – Unobservable inputs that to the extent relevant observable inputs are not available, represent the Fund's own assumptions about the assumptions that a market participant would use in valuing the asset or liability, and that would be based on the best information available.

ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

While the Fund believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methods or assumptions to estimate the fair value of certain financial statement items could result in a different estimate of fair value at the reporting date. Those estimated values may differ significantly from the values that would have been used had a readily available market for such items existed, or had such items been liquidated, and those differences could be material to the financial statements.

VALUATION TECHNIQUES

The following is a description of the valuation techniques used by the Fund to its assets and liabilities measured at fair value on a recurring basis.

[ONLY INCLUDE WHAT IS APPLICABLE TO THE FUND]

Digital Assets and Digital Assets Sold Short/Borrowed

The Fund's investments in digital assets are stated at fair value. Each digital asset with a generally recognized exchange rate is valued at the price of the digital asset on such exchange on the date of the valuation as of 23:59:59 pm universal coordinated time ("UTC") [Update to match statement of operations]. Investments that are not traded publicly are valued by the Investment Manager/General Partner in a fair and equitable manner. Depending on the frequency of trading/ trading volume of investments in digital assets and liquidity of investments in digital assets, the investments in digital assets are generally categorized in Level 2 or 3 of the fair value hierarchy.

The Investment Manager/General Partner determines the principal market for the digital assets based on the Fund's access to the exchange, trading volume of the exchange and its stability, liquidity, transparency, trading practices, and regulatory oversight. While some digital asset values may be based on prices reporting in active markets, other digital asset markets may be subject to issues such as liquidity constraints and considered inactive markets. Determinations on the fair value of certain digital assets, and how to value such assets or liabilities, are based on the Investment Manager/ General Partner's research and findings and may include the use of pricing models with observable inputs such as the quotes from inactive markets on identical or substantially similar products. The use of pricing models in inactive markets and any requisite models will be prepared and updated as required.

Certain digital assets held by the Fund are tokens ("DeFi Tokens" and/or "LP Tokens") that represent holdings in decentralized finance protocols. These protocols typically hold a basket of digital assets in order to facilitate trading or lending of such digital assets. The basket components change frequently as a result of such transactions. The Investment Manager/General Partner values the DeFi Tokens based on the aggregate value of the underlying digital assets within the protocol (or pool), as reported by the protocol in accordance with its terms, which generally require that such digital assets are valued based on trading prices.

Digital assets listed on one or more United States or foreign digital exchanges, on over-the-counter markets, or on a decentralized exchange(s) for which market quotations are available, shall be valued at the value at which they can be converted into U.S. dollars as of as of 23:59:59 pm universal coordinated time ("UTC") [Update to match statement of operations] on the relevant day as reported by relevant exchange for the particular digital asset in question.

OR SIMILAR LANGUAGE AS BELOW

The Fund's investments in digital assets are stated at fair value. Digital assets are generally valued using the price reported by coinmarketcap.com ("CoinMarketCap") and/or coingecko.com ("CoinGecko") as of 23:59:59 pm universal coordinated time ("UTC") [Update to match statement of operations] on the valuation date, although the Investment Manager/General Partner has substantial discretion in determining the value of the Fund's digital assets. CoinMarketCap and CoinGecko are well-known cryptocurrency market capitalization sources in the industry that provides prices for cryptocurrencies using volume weighted average prices across the varying exchanges on which they are traded. While some digital assets are valued based on prices reported in the public markets, other digital assets may be more thinly-traded or subject to irregular trading activity. Determinations on the value of certain digital assets, and how to value such assets as to which limited prices or quotations are available, are based on the Investment Manager/General Partner's recommendations or instructions. Valuations determined are required to be supported by market data, third party pricing sources, industry accepted pricing models, counterparty prices or other methods deemed to be appropriate. Digital assets are generally categorized in Level 2 of the fair value hierarchy (but at times can be categorized in Level 3 due to the significant unobservable inputs).

Certain digital assets held by the Fund are tokens ("DeFi Tokens" and/or "LP Tokens") that represent holdings in decentralized finance protocols. These protocols typically hold a basket of digital assets in order to facilitate trading or lending of such digital assets. The basket components change frequently as a result of such transactions. The Investment Manager/General Partner values the DeFi Tokens based on the aggregate value of the underlying digital assets within the protocol (or pool), as reported by the protocol in accordance with its terms, which generally require that such digital assets are valued based on trading prices.

Non-fungible Tokens ("NFTs")

NFTs are unique digital assets (often in the form of art or collectibles) that cannot be exchanged for the same amount of the same kind of asset because each holds different characteristics and/or is unique. The Fund establishes valuation processes and procedures to ensure that the valuation techniques are fair and consistent, and valuation inputs are supportable. The fair value of investments in NFTs are generally determined by the Investment Manager/General Partner based on quotes from third-party pricing providers of reputable sources. For NFTs, where third party pricing providers are unable to price or provide a quote, the Investment Manager/General Partner will obtain an external valuation from a reputable third-party pricing source on an annual basis, where possible and subject to position-level materiality thresholds. If no third-party provider valuation data is available, the Investment Manager/General Partner will re-evaluate the NFTs at least annually to determine true and fair marks by using the latest information on the asset or comparable assets available to them to justify fair market value.

Convertible Instruments-Simple Agreement for Future Tokens ("SAFTs")

The Fund invests in a number of SAFTs. Subsequent to initial recognition, SAFTs are measured at fair value. The transaction price is typically the Fund's best estimate of fair value at acquisition. At each subsequent measurement date, the Fund's management reviews the valuation of each investment and records adjustments as necessary to reflect the expected exit value of the investment under current market conditions. Ongoing reviews by the Fund's management are based on an assessment of the type of investment, the stage in the life cycle of the SAFT issuing entity, and trends in the performance and credit profile of each SAFT issuing entity as of the measurement date. The Fund recognizes the conversion of convertible instruments ("CIs") such as SAFTs on the date the underlying tokens are granted by the project and delivered to the Fund and in the Fund's custody. If a portion of the tokens associated with a CI are received, a portion of the cost basis will be transferred ratably from the CI to the tokens delivered. On the conversion date, the tokens granted will be measured at fair value and classified as investments in digital assets on the statement of financial condition. Any subsequent change in fair value will be recorded as a change in unrealized gain or loss on investments [Update to match statement of operations] on the statement of operations. SAFTs include unvested tokens to be delivered to the Fund based on the underlying issuing entity vesting schedule terms. Unvested and undelivered tokens are recorded and valued consistently with SAFTs and once tokens are vested and delivered to the Fund they are recorded and valued consistently with digital assets. Due to the inherent uncertainty of the valuation process, the Fund's estimate of fair value may differ significantly from the values that would have been used had a ready market for the instruments existed, and the differences could be material to the financial statements.

Decentralized Autonomous Organization (DAO) Subscription Units

The Fund invests in DAO subscription units. Investments in DAO subscription units are measured at fair value. The transaction price, excluding transaction costs, is typically the Fund's best estimate of fair value at acquisition. At each subsequent measurement date, the Fund's management reviews the valuation of each investment and records adjustments as necessary to reflect the expected exit value of the investment under current market conditions. When evidence supports a change in carrying value from the transaction price, adjustments are made to reflect expected exit values in the investment's principal market under current market conditions.

Due to the inherent uncertainty of the valuation process, the Fund's estimate of fair value may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material to the financial statements.

NFTs, SAFTs, and DAO subscription units are categorized in Level 3 of the fair value hierarchy.

Private Operating Companies-Simple Agreement for Future Equity ("SAFEs")

Investments in private operating companies may consist of SAFEs. SAFEs provide the Fund with the contracted promise of future equity in the issuing entity typically when a priced round of financing occurs as stipulated in the agreement. If a financing event is not consummated, the agreement typically results in a preference over current equity holders upon liquidation or a defined exit event. The transaction price, excluding transaction costs, is typically the Fund's best estimate of fair value at acquisition. At each subsequent measurement date, the Fund's management reviews the valuation of each investment and records adjustments as necessary to reflect the expected exit value of the investment under current market conditions. When evidence supports a change in carrying value from the transaction price, adjustments are made to reflect expected exit values in the investment's principal market under current market conditions.

Due to the inherent uncertainty of the valuation process, the Fund's estimate of fair value may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material to the financial statements. These investments are generally categorized in Level 3 of the fair value hierarchy.

Private Operating Companies–Token Warrants and Rights

The Fund may purchase warrants or may receive warrants with purchases of investments in private operating companies which provide the Fund with exposure and potential gains upon equity appreciation of the underlying asset price. The value of a warrant has two components: time value and intrinsic value. A warrant has a limited life and expires on a certain date. As the expiration date of a warrant approaches, the time value of a warrant will decline. In addition, if the asset underlying the warrant declines in price, the intrinsic value of an in-the-money warrant will decline. Further, if the price of the asset underlying the warrant does not exceed the strike price of the warrant on the expiration date, the warrant will expire worthless. As a result, the Fund could potentially lose its entire investment in a warrant. Warrants may expose the Fund to credit risk should the counterparty be unable to meet the terms of the contract. The Fund considers the effects of counterparty risk when determining the fair value of its investments in warrants. The transaction price, excluding transaction costs, is typically the Fund's best estimate of fair value at acquisition. The Investment Manager/General Partner determined that there have been no material developments related to these investments and therefore transaction price is representative of fair value. A warrant may give the Fund the right to buy stock or tokens, typically from the issuer. The warrant specifies the amount of the underlying stock or token, the purchase (or "exercise") price, and the date the warrant expires. Certain warrants may permit, without legal obligation, net settlement for stock, tokens or cash. The Fund has no obligation to exercise the warrant and buy the stock or tokens. Depending on the warrant and terms of the transaction, the fair value can be modeled taking into account the counterparties' creditworthiness and using a series of techniques, including simulation models. Warrants may be classified in either Level 2 or Level 3 of the fair value hierarchy. For token warrants, the fair value of the tokens are determined after any applicable lock-up period, as defined in the warrant agreement.

Equity Securities

In general, the Fund values exchange traded investments in securities and securities sold short at their last quoted price as of the valuation date. Investments which are not listed on a national exchange are valued at their last closing bid price if owned by the Fund and their last closing ask price if sold short by the Fund. To the extent these securities are actively traded and valuation adjustments are not applied, securities are categorized in Level 1 of the fair value hierarchy. Securities traded on inactive markets or valued by reference to similar instruments are generally categorized in Level 2 of the fair value hierarchy.

Fixed Income Securities

Fixed income securities, such as government, municipal and corporate bonds are valued using quoted prices from active markets, if available, recently executed transactions, or at prices provided by a third-party pricing service. The prices provided by third-party pricing services take into account various factors such as, broker-dealer market price quotations, credit default swap spreads, maturity, interest rates and other characteristics of the fixed income security. To the extent these securities are valued using market quotations, are actively traded, and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. Securities valued using market quotations traded in inactive markets or valued based on prices provided by a third-party pricing service are generally categorized in Level 2 of the fair value hierarchy.

Debt Securities

The fair value of debt securities, such as convertible notes, are generally valued using recently executed transactions and observable market price quotations and are categorized in Level 2 of the fair value hierarchy. When market price quotations used are unobservable, proprietary valuation models and default recovery analysis methods are employed and debt securities are categorized in Level 3 of the fair value hierarchy.

Asset Backed Securities

Asset backed securities (ABS) are pass-through debt securities created by pooling various assets such as, mortgage loans, auto loans, student loans and credit card receivables. In some instances, the loan originator will continue to service the underlying loan, or the servicing may be sold to a subsidiary or another institution. Loan originators will usually pool the loans and sell interests in the pools created. By selling an ABS, the originator can obtain funds to issue new loans while retaining the servicing rights on the pooled loans. Most ABS are guaranteed either by federally sponsored agencies or private guarantors. The Fund values ABS based on market quotations received from third-party pricing sources, such as broker-dealers, when available. If third-party pricing is unavailable, the Fund uses cash flow models, which take into account various factors from the ABS, such as, conditional prepayment rates, default rates, loss severity, expected yields-to-maturity, and other inputs specific to each security.

To the extent that the inputs are observable and timely, the values would be categorized in Level 2 of the fair value hierarchy, otherwise, they would be categorized as Level 3.

Collateralized Loan Obligations

Investments in Collateralized Loan Obligations (CLO) represent direct ownership in the equity tranche of a CLO. CLOs are a form of securitization where payments from multiple small, middle and large business loans are pooled together and passed on to different classes of owners in various tranches, generally referred to as senior, mezzanine and equity tranches. Generally, these securities provide periodic payments to the senior and mezzanine tranches, which consist of interest and principal, and once the contractual obligations regarding the periodic payments are met, all remaining flow-through cash is paid to the equity tranche investors in the form of a dividend. CLO's may be valued based on prices of comparable securities or cash flow models that consider inputs including default rates, conditional prepayment rates, loss severity, expected yield to maturity, and other inputs specific to each security. To the extent that the inputs are observable and timely, the values would be categorized in Level 2 of the fair value hierarchy, otherwise, they would be categorized as Level 3.

Repurchase Agreements

The Fund records repurchase agreements at their contracted resell amounts, which approximate fair value. Interest on repurchase agreements is included in interest receivable in the statement of financial condition. Repurchase agreements are generally categorized in Level 2 of the fair value hierarchy.

Private Operating Companies

Investments in private operating companies may consist of common stock, preferred stock, and debt of private operating companies. The transaction price, excluding transaction costs, is typically the Fund's best estimate of fair value at inception. When evidence supports a change to the carrying value from the transaction price, adjustments are made to reflect expected exit values in the investment's principal market under current market conditions. Ongoing reviews by Fund management is based on an assessment of trends in the performance of each underlying investment from the inception date through the most recent valuation date. These assessments typically incorporate valuation techniques that consider the evaluation of arm's-length financing and sale transactions with third parties, an income approach based on a discounted cash flow analysis, and/or a market approach based on a comparative analysis of acquisition multiples and pricing multiples generated by market participants. In certain instances, the Fund may use multiple valuation techniques for a particular investment and estimate its fair value based on a weighted average or a selected outcome within a range of multiple valuation results.

When applying valuation techniques used to determine fair value, the Fund assumes a reasonable period of time for estimating cash flows and considers the financial condition and operating results of the portfolio company, the nature of the investment, restrictions on marketability, market conditions, foreign currency exposures, and other factors. When determining the fair value of investments, the Fund exercises significant judgment and uses the best information available as of the measurement date.

Inputs used under an income approach may include annual projected cash flows for each investment through their expected remaining economic life discounted to present value using appropriate risk-adjusted discount rates. These cash flow assumptions may be probability weighted to reflect the risks associated with achieving expected performance levels across various business scenarios. Inputs used under an income approach may include an assessment of the credit profile of the portfolio company as of the measurement date, the operating performance of the portfolio company, trends in the liquidity, and financial leverage ratios as of the measurement date and include an assessment of the portfolio company's business enterprise value, liquidation value, and debt repayment capacity of each subject debt investment. In addition, inputs may include an assessment of potential yield adjustments for each debt investment based on trends in the credit profile of the portfolio company and trends in the interest rate environment as of the measurement date.

Inputs used under a market approach may include valuation multiples applied to corresponding performance metrics such as earnings before interest, taxes, depreciation and amortization (EBITDA); revenue; or net earnings. The selected valuation multiples were estimated through a comparative analysis of the performance and characteristics of each investment within a range of comparable companies or transactions in the observable marketplace. In addition, recent merger and acquisition transactions of comparable companies may be used as a basis to develop implied valuation multiples. Investment valuations using the market approach may also consider factors such as liquidity, credit, and market risk factors of the portfolio company.

The probability-weighted expected return method is based on an estimate of expected fair value as analyzed through various liquidity scenarios. Fair value is determined for a given scenario at the time of the future liquidity event and discounted back to the valuation date using a risk-adjusted discount rate. To determine fair value, the present values under each scenario are weighted based on the expected probability of each scenario occurring.

The option pricing model treats a private operating company's common stock and preferred stock as call options on the enterprise or equity value of the private operating company, with exercise or strike prices based on the characteristics of each series or class of equity in the private operating company's capital structure (e.g., the liquidation preference of a given series of preferred stock). This method is sensitive to certain key assumptions, such as volatility and time to exit, that are not observable.

These investments in private operating companies are generally categorized in Level 3 of the fair value hierarchy.

Restricted Securities on Public Companies

Investments in restricted securities of public companies cannot be offered for sale to the public until the Fund complies with certain statutory requirements. The valuation of the securities by management takes into consideration the type and duration of the restriction, but in no event does the valuation exceed the listed price on a national securities exchange or the NASDAQ national market. Investments in restricted securities of public companies are generally included in Level 2 of the fair value hierarchy. However, to the extent that significant inputs used to determine liquidity discounts are not observable, investments in restricted securities in public companies may be categorized in Level 3 of the fair value hierarchy.

Private Investment Companies

Investments in private investment companies are valued at their net asset value, as a practical expedient, as reported by the underlying private investment company, without adjustment, when the net asset value of the investments are calculated in a manner consistent with U.S. GAAP for investment companies. The Fund applies the practical expedient to its investments in private investment companies on an investment-by-investment basis, and consistently with the Fund's entire position in a particular investment, unless it is probable that the Fund will sell a portion of an investment at an amount different from the net asset valuation.

If it is probable that the Fund will sell an investment at an amount different from the net asset value or in other situations where the practical expedient is not available, the Fund considers other factors in addition to the net asset value, such as features of the investment including subscription and redemption rights, expected discounted cash flows, transactions in the secondary market, bids received from potential buyers, and overall market conditions in its determination of fair value. Investments in private investment companies that are not valued using the practical expedient are typically categorized in Level 3 of the fair value hierarchy.

Special Purpose Vehicles

Investments in special purpose vehicles (SPVs) are either offshore private investment companies, United States limited liability companies, or United States corporations that invest directly or indirectly through joint ventures in private equity or debt securities, real estate or intangible property.

If a SPV is accounted for as an investment company under GAAP, the Fund generally values the investment as a practical expedient, using the net asset values provided by the SPV when the net asset value is calculated in a manner consistent with GAAP for investment companies. The Fund applies the practical expedient to eligible SPVs on an investment-by-investment basis and consistently with the Fund's entire position in a particular investment, unless it is probable that the Fund will sell a portion of an investment at an amount different from the net asset value of the investment.

If a SPV is not accounted for as an investment company, the SPV may be valued in its entirety using an income approach or a market approach. **[See the Private Operating Companies section for examples of valuation techniques and inputs to insert here]**. In certain instances, a SPV may be valued based on the evaluation of the net assets of the SPV, whereby the assets and liabilities of the SPV are valued based on each underlying investment within the SPV, incorporating valuations that consider the evaluation of financing and sale transactions with third parties, expected cash flows and market-based information, including comparable transactions and performance multiples, among other factors.

SPVs that are not valued using the practical expedient are typically categorized in Level 3 of the fair value hierarchy.

Derivative Instruments

The Fund records its derivative activities at fair value. Gains and losses from derivative contracts are included in net realized gain (loss) from derivative contracts and net change in unrealized appreciation (depreciation) from derivative contracts in the statement of operations.

Option Contracts

Call and put options listed on national security exchanges are valued at their last recorded sales price on the exchange where they are principally traded, or the mid-point between the current "bid" and "ask" prices at the close of business on the valuation date. Upfront premiums paid for the purchase of options which expire unexercised are treated by the Fund on the expiration date as realized losses. Options are generally categorized in Level 1 of the fair value hierarchy.

Swaptions

Swaption contracts are traded on the OTC market. The fair value of swaption contracts is derived using a pricing model that is widely accepted by marketplace participants. The pricing model takes into account the contract terms (including maturity, notional amount, and strike price) as well as multiple inputs, including interest rates, currency exchange rates and implied volatility. The Fund also considers counterparty credit risk in its valuation of swaptions. Swaptions are generally categorized in Level 2 or 3 of the fair value hierarchy.

Futures Contracts

Futures contracts that are listed on an exchange are valued at their last reported sales price as of the valuation date. Listed futures contracts are generally categorized in Level 1 of the fair value hierarchy.

Warrant Contracts

Warrants which are traded over-the-counter (OTC) are valued using the Black-Scholes option pricing model, which takes into account various inputs such as volatility, time to expiration, exercise price, and current underlying stock price. Warrants which are traded on an exchange are valued at their last quoted price as of the valuation date. Warrants are generally categorized in Level 2 or 3 of the fair value hierarchy.

Forward Contracts

Forward contracts are traded on the OTC market. The fair value of a forward contract is based upon the difference between the contractually agreed upon forward rate and the current market rate of the underlying commodity or currency, applied to notional amounts specified in the contract as of the valuation date. Forward contracts are generally categorized in Level 2 of the fair value hierarchy.

Swap Contracts

Interest Rate Swaps. Interest rate swaps are traded on the OTC market. The fair value of interest rate swap contracts is derived using a pricing model that is widely accepted by marketplace participants. The pricing model takes into consideration inputs such as time to maturity, interest rates, prepayment speeds, and currency rates. Many of these inputs do not require material subjectivity as they are observable in the marketplace or set per the contract. Other than the contract terms, valuation is heavily determined by the difference between the contract spread and the current market spread. The contract spread (or rate) is generally fixed and the market spread is generally variable based on a market interest rate. Interest rate swaps are therefore generally categorized in Level 2 of the fair value hierarchy.

Total Return Swaps. Total return swaps are traded on the OTC market. The fair value of total return swap contracts is calculated based on the difference between the notional fair value(s) of the underlying securities to the contract. Notional fair value(s) of the underlying securities are based on their last quoted price as of the valuation date. Total return swaps are generally categorized in Level 2 of the fair value hierarchy.

Credit Default Swaps. Credit default swaps are traded on the OTC market. The fair value of credit default swap contracts is derived using a pricing model that is widely accepted by marketplace participants. The pricing model takes into account various inputs such as maturity dates, default rates, recovery rates, interest rates, interest rate yield curves, credit curves, and current credit spreads obtained from swap counterparties and other market participants. Many inputs into the model do not require material subjectivity as they are observable in the marketplace or set per the contract. Other than the contract terms, valuation is heavily determined by the difference between the contract spread and the current market spread. The contract spread (or rate) is generally fixed and the market spread is determined by the credit risk of the underlying debt or reference entity. If the underlying debt is liquid and the OTC market for the current spreads is active, credit default swaps are categorized in Level 2 of the fair value hierarchy. If the underlying debt is illiquid and the OTC market for the current spread is not active, credit default swaps are categorized in Level 3 of the fair value hierarchy.

Contracts for Differences

Contracts for differences are traded on the OTC market. The fair value of contracts for differences is derived by taking the difference between the quoted price of the underlying security and the contract price. Contracts for differences are generally categorized in Level 2 of the fair value hierarchy.

Contingent Consideration

The Fund recognizes contingent consideration, such as escrow receivable and earn-out payments, from the sale of liquidated investments as a financial asset measured at fair value. Contingent consideration refers to additional amounts from liquidated investments that management believes may be realized at future dates and/or as future events occur. The terms of these milestones are generally defined in the sales agreements of the liquidated investment. The amount of the actual milestone payments ultimately received by the Fund may vary depending on whether future milestone events occur. The fair value reflects Fund management's best estimate of the amounts that will ultimately be collected by the Fund. Due to the uncertainty surrounding the collection of these balances, Fund management may apply a discount to estimate the fair value of the escrow receivable and earn-out payment balances. Contingent considerations are generally categorized in Level 2 or 3 of the fair value hierarchy.

The following table presents information about the Fund's assets and liabilities measured at fair value as of December 31, 20XX categorized in accordance with the fair value hierarchy:

Assets at Fair Value					
Description	Level 1	Level 2	Level 3	Investments measured at net asset value	Total
Cash equivalents:					
Money market fund	$ -	$ -	$ -	$ -	$ -
Investment in securities (a):	-	-	-	-	-
Common stock	-	-	-	-	-
Preferred stock	-	-	-	-	-
Municipal bonds	-	-	-	-	-
Government bonds	-	-	-	-	-
Asset-backed securities	-	-	-	-	-
Total investment in securities	-	-	-	-	-
Derivative contracts (a):					
Credit default swaps	-	-	-	-	-
Equity swaps	-	-	-	-	-
Interest rate swaps	-	-	-	-	-
Call options	-	-	-	-	-
Put options	-	-	-	-	-
Forward contracts	-	-	-	-	-
Futures contracts	-	-	-	-	-
Total derivative contracts	-	-	-	-	-
Investments in private investment companies	-	-	-	-	-
Contingent Consideration:					
Escrow receivable	-	-	-	-	-
Earn-out payments	-	-	-	-	-
Total contingent considerations	-	-	-	-	-
Total assets at fair value	$ -	$ -	$ -	$ -	$ -

(a) Additional information regarding the industry classification and/or geographical location of these investments is disclosed in the condensed schedule of investments.

Liabilities at Fair Value				
Description	Level 1	Level 2	Level 3	Total
Securities sold short: (a)				
Common stock	$ -	$ -	$ -	$ -
Preferred stock	-	-	-	-
Total securities sold short	-	-	-	-
Derivative contracts: (a)				
Credit default swaps	-	-	-	-
Equity swaps	-	-	-	-
Interest rate swaps	-	-	-	-
Call options	-	-	-	-
Put options	-	-	-	-
Forward contracts	-	-	-	-
Futures contracts	-	-	-	-
Total derivative contracts	-	-	-	-
Total liabilities at fair value	$ -	$ -	$ -	$ -

(a) Additional information regarding the industry classification and/or geographical location of these investments is disclosed in the condensed schedule of investments.

[Ensure the ASC 820 fair value hierarchy tabling includes applicable sections for investments in digital assets (digital assets, non-fungible tokens, simple agreement for future tokens, DAO subscription units, etc.) and investments in private operating companies (simple agreements for future equity, preferred shares, common shares, other convertibles, etc.) and derivative contracts (token warrants and token rights) include all applicable sub-types]

[Alternatively, investments valued based on practical expedient can be omitted from the table above, and the following disclosure could be included:]

At December 31, 20XX, the Fund had investments in private investment companies aggregating $X,XXX,XXX which were measured using their net asset value as a practical expedient, which are not included in the fair value hierarchy shown above.

[IF APPLICABLE]There were no transfers between levels during the year ended December 31, 20XX.

The following table presents changes in assets classified in Level 3 of the fair value hierarchy during the year ended December 31, 20XX attributable to the following:

	Private preferred stock		Private common stock	
Purchases	$	-	$	-
Transfers into Level 3	$	-	$	-
Transfers out of Level 3	$	-	$	-

[Ensure table includes applicable investments in digital assets (digital assets, non-fungible tokens, simple agreement for future tokens, DAO subscription units, etc.) and investments in private operating companies (simple agreements for future equity, preferred shares, common shares, other convertibles, etc.) and derivative contracts (token warrants and token rights)]

The folowing table presents changes from the opening to the closing balance of digital assets during the year ended December 31, 20XX attributable to the following:

	Opening Balance		Additions		Dispositions		Gains included in net income		Losses included in net income		Closing Balance	
Crypto Asset A	$	-	$	-	$	-	$	-	$	-	$	-
Crypto Asset B	$	-	$	-	$	-	$	-	$	-	$	-
Total	$	-	$	-	$	-	$	-	$	-	$	-

The following table summarizes the valuation techniques and significant unobservable inputs used for the Fund's investments that are categorized in Level 3 of the fair value hierarchy as of December 31, 20XX:

(in thousands)	Fair Value at December 31, 20XX	Valuation technique	Unobservable input	Range of inputs (weighted average)
Assets				
Securities, at fair value				
Private preferred stocks	$XX,XXX	Market comparable companies	Adjusted valuation multiples (EBITDA)	X-X (X)
			Discounts for lack of marketability	X% – X% (X%)
			Control premiums	X% – X% (X%)
Asset-backed securities	$XX,XXX	Discounted cash flow model	Loss severities Probabilities of default Payment rates	X% – X% (X%) X% – X% (X%) X% – X% (X%)
Derivative contracts, at fair value				
Call warrants	$XX,XXX	Black-Scholes model	Historical volatility	X% – X% (X%)

[IF APPLICABLE] Certain of the Fund's Level 3 investments have been valued using unadjusted inputs that have not been internally developed by the Fund, including third-party transactions and indicative broker quotations. As a result, fair value assets of approximately $X,XXX,XXX and fair value liabilities of approximately $X,XXX,XXX have been excluded from the preceding table.

[Ensure table includes applicable investments in digital assets (digital assets, non-fungible tokens, simple agreement for future tokens, DAO subscription units, etc.) and investments in private operating companies (simple agreements for future equity, preferred shares, common shares, other convertibles, etc.) and derivative contracts (token warrants and token rights)]

IF APPLICABLE: Changes in valuation techniques

[Example disclosure of a change in either or both a valuation approach and a valuation technique for measurements categorized in Level 2 and 3 of the fair value hierarchy:] During the year ended December 31, 20XX, the Fund changed the valuation technique used to value [Describe the class to which the change in valuation approach or valuation technique applies] from [Describe the previous valuation approach and/or valuation technique] to [Describe the change in valuation approach and/ or valuation technique, including the use of an additional valuation technique].

The Fund believes the change in valuation technique and its application results in a measurement that is equally or more representative of the fair value in the circumstances because of [Disclose the reasons for the change in valuation approach or valuation technique, which may result from vents such as development of new markets, new information becoming available, information previously used is no longer available, improvement of valuation techniques, or changes in market conditions].

C. Derivative Instruments

(THESE NOTES TO BE UPDATED AS APPLICABLE TO FUND AND BE BASED ON FUND SPECIFICS)

Derivative Instruments

In the normal course of business, the Fund uses derivative contracts in connection with its proprietary trading activities. Derivative contracts are subject to additional risks that can result in a loss of all or part of an investment. The Fund's derivative activities and exposure to derivative contracts are classified by the following primary underlying risks: interest rate, credit, foreign exchange, commodity price, and equity price. In addition to its primary underlying risks, the Fund is also subject to additional counterparty risk due to the potential inability of its counterparties to meet the terms of their contracts. The Fund records its derivative activities at fair value. Derivative contracts utilized by the Fund include forward, future, swap, warrant and option contracts.

The types of derivatives, their risk exposure, and the methods in which they were used by the Fund are as follows:

[ONLY INCLUDE WHAT IS APPLICABLE TO THE FUND]

Option Contracts

The Fund may enter into options to speculate on the price movements of the financial instrument underlying the option, or for use as an economic hedge against certain equity positions held in the Fund's portfolio holdings. Options contracts give its owner the right, but not the obligation, to buy (call) or sell (put) a specified financial instrument at a specified price either during a specified period of time or on a specified date.

[IF APPLICABLE] A swaption is an option contract that provides its owner the right, but not the obligation, to enter into a previously agreed-upon interest rate swap on a future date or to cancel an existing interest rate swap in the future.

Options which are traded over the counter may expose the Fund to counterparty risk should the counterparty be unable to meet the terms of the contract. The maximum risk of loss from counterparty risk to the Fund is the fair value of the contracts and the premiums paid to purchase its open options. In these instances, the Fund considers the credit risk of the intermediary counterparty to its option transactions in evaluating potential credit risk. Options written by the Fund may expose the Fund to market risk to the extent that an unfavorable change in the financial instrument underlying the written option could lead to unlimited losses.

Futures Contracts

The Fund may enter into futures contracts to gain exposure to, or to hedge against, changes in commodity prices, equity prices or interest rates. Futures contracts are traded on various exchanges and represent a commitment for a future purchase or sale of an asset at a specified price on a specified date. Upon entering into a futures contract, the Fund is required to pledge to the broker, a futures commission merchant registered under Commodity Exchange Act, an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Subsequent payments, known as "variation margin", are made or received by the Partnership each day, depending on the daily fluctuations in the fair value of the underlying security. The Fund is exposed to commodity risk, equity risk and interest rate risk due to trading in futures contracts. Futures have minimal counterparty risk because futures contracts are exchange- traded and the exchange's clearing house, as the counterparty to all exchange-traded futures, guarantees the futures against default.

Warrant Contracts

The Fund may enter into warrants as part of its investment strategy, or may receive warrants from a portfolio company upon entering into an investment in debt or equity with that portfolio company. A warrant is a security giving the Fund the right, but not the obligation, to purchase shares in a company at a set price, and within a specified time period. Warrants provide the Fund with exposure and potential gains upon equity appreciation of the portfolio company's share price.

The Fund is exposed to counterparty risk from the potential failure of an issuer of warrants to settle its exercised warrants. The maximum risk of loss from counterparty risk to the Fund is the fair value of the contracts. The Fund considers the effects of counterparty risk when determining the fair value of its warrants.

Forward Contracts

The Fund may enter into forward contracts to hedge against changes in foreign exchange rate risk for its foreign currency denominated assets and liabilities and to manage the price risk associated with commodity positions held. A forward contract is an agreement in which a seller agrees to deliver a specified quantity of a foreign currency or commodity at a price specified now, with delivery and settlement at a specified future date. Forward contracts are not exchange traded which exposes the Fund to counterparty risk should the counterparty be unable to meet the terms of the forward contract. In addition, the Fund is exposed to commodity price and foreign exchange risk due to trading in forward contracts.

Swap Contracts

The Fund enters into various swap contracts, including interest rate swaps, total return swaps, and credit default swaps as part of its investment strategy, or to hedge against unfavorable changes in the value of investments and to protect against adverse movements in interest rates or credit performance with counterparties. Generally, a swap contract is an agreement that obligates two parties to exchange a series of cash flows at specified intervals based upon or calculated by reference to changes in specified prices or rates for a specified notional amount of an underlying assets. The payment flows are usually netted against each other, with the difference being paid by one party to the other.

Risks may arise as a result of the failure of the counterparty to the swap contract to comply with the terms of the swap contract. The loss incurred by the failure of a counterparty is generally limited to the aggregate fair value of a swap contract in an unrealized gain position and collateral posted with the counterparty. The risk is mitigated by having a master netting arrangement between the Fund and the counterparty and by the counterparty posting collateral to the Fund to cover the Fund's exposure to the counterparty. The Fund considers the creditworthiness of each counterparty to a swap contract in evaluating potential credit risk. Additionally, risks may arise from unanticipated movements in the fair value of the underlying investments.

<u>Interest Rate Swaps</u>

The Fund may enter into interest rate swap contracts to protect against adverse movements in the interest rates. Interest rate swaps are contracts in which counterparties exchange different rates of interest on a specified notional amount for a specified period of time. The Fund is exposed to interest rate risk if there are adverse movements in market interest rates.

Total Return Swaps

The Fund may enter into total return swaps either to manage its exposure to the market or certain sectors of the market, or to create exposure to certain equities to which it is otherwise not exposed. Total return swap contracts involve the exchange by the Fund and a counterparty of their respective commitments to pay or receive a net amount based on the change in the fair value of a particular security or index, specified interest rates for fixed-rate payments, and the notional amount of the swap contract.

The Fund is exposed to equity risk if there are adverse movements in the market related to the underlying equity connected to the contract.

Credit Default Swaps

The Fund may enter into credit default swap contracts as part of its investment strategy, or to hedge against the risk of default of a specific company or sovereign debt. Credit default swap contracts involve an arrangement between the Fund and a counterparty, which allows one party to protect against losses incurred as a result of default by a specified reference entity (protection purchased) and obligates the other to assume the credit risk of the specified reference entity (protection written). Generally, one party pays a premium up front and continues to pay periodic interest payments, while the other party agrees to make a payment to compensate for losses if a specified credit event occurs. Credit events may include bankruptcy, failure to pay, restructuring, obligation acceleration, obligation default, or repudiation/moratorium.

[IF APPLICABLE] In the event that certain specified credit events occur, the maximum potential future undiscounted payments that the Fund would be required to pay under protection written would be approximately $XX,XXX,XXX. However, if the Fund was required to make payments under protection written, it would be entitled to certain assets owned by the entities that collateralize the reference obligations.

Contracts for Differences

The Fund enters into contracts for differences to **[Insert Fund's reason for entering or holding this position**]. Contracts for differences involve an agreement by the Fund and a counterparty to exchange the difference between the opening and closing price of the position underlying the contract, which is generally an equity security. Therefore, amounts required for the future satisfaction of the contracts for differences may be greater or less than the amount recorded.

Risks may arise as a result of the failure of the counterparty to a contract for differences to comply with the terms of the contract for differences.

Credit-risk-related contingent features

The Fund enters into agreements with counterparties with which it trades derivatives instruments that contain credit-risk-related contingent features, such as covenants and other provisions, which may be trigged should the Fund be in a net liability position with its counterparties. As of December 31, 20XX, the Fund's aggregate fair value of derivative positions with credit-risk-related contingent features that are in a net liability position are $X,XXX,XXX, for which the Fund has posted collateral of $X,XXX,XXX in the normal course of business. **[IF APPLICABLE]** If such credit-risk-related contingent features were triggered as of December 31, 20XX, the Fund would have been required to post additional collateral with the counterparties of $X,XXX,XXX. **[IF APPLICABLE]** For the year ended December 31, 20XX, no such credit-risk-related contingent features were triggered.

Additionally, counterparties may immediately terminate these agreements and the related derivative contracts if the Fund fails to maintain sufficient asset coverage for its contracts, or its net assets decline by stated percentages or amounts. As of December 31, 20XX, no such termination events have occurred.

The following table illustrates the Fund's volume of derivative instruments based on the number of contracts held and the notional amounts by exposure as of December 31, 20XX, classified by the primary underlying risks:

	NUMBER OF CONTRACTS HELD		NOTIONAL AMOUNTS	
Primary underlying risk	**Long exposure**	**Short exposure**	**Long exposure**	**Short exposure**
Interest rate				
Interest rate swaps	-	-	$ -	$ -
Swaptions	-	-	-	-
	-	-	-	-
Foreign exchange rate				
Forward contracts	-	-	-	-
	-	-	-	-
Equity price				
Total return swaps	-	-	-	-
Futures contracts (2)	-	-	-	-
Options (1)	-	-	-	-
Warrants (1)	-	-	-	-
Contracts for differences	-	-	-	-
	-	-	-	-
Commodity price				
Futures contracts (2)	-	-	-	-
	-	-	-	-
Credit				
Protection written:	-	-	-	-
Credit default swap	-	-	-	-
	-	-	-	-
Totals:	**-**	**-**	**$ -**	**$ -**

[Note: Basis for calculation of notional amount for each type of derivative included in this table should be specified. For example:]

(1) Notional amounts presented for options and warrants are based on the fair value of the underlying shares as if the options and warrants were exercised at the applicable period end.

(2) Notional amounts presented for futures are based on the fair value of the underlying asset, multiplied by the number of contracts, time the multiplier at the applicable period end.

[Consider calculating and disclosing notional amounts and number of contracts based on average monthly/quarterly holdings when year-end amounts are not indicative of the overall volume throughout the year and/or there are no derivatives held as of year-end but there are material net gains (losses) from derivatives for the year.]

[IF APPLICABLE – for derivative types who's year-end holdings are indicative of the overall volume throughout the year] The Fund considers the number of contracts and notional amounts held at December 31, 20XX to be an accurate representation of the volume of derivative activities during the year ended December 31, 20XX.

[IF APPLICABLE] for derivative types 1) who's year-end holdings are NOT indicative of the overall volume throughout the year OR 2) that were traded during the year and generated material amounts of gains/losses, but are NOT held at year end] The Fund calculated the number of contracts and notional amounts included in the table above based on the Fund's average monthly/quarterly holdings, which the Fund considers to be an accurate representation of the volume of derivative activities during the year ended December 31, 20XX.

[IF APPLICABLE - for derivative types that were traded during the year and generated immaterial amounts of gains/losses, and are NOT held at year end] The Fund may utilize [Insert Type of Derivative] from time to time to create, or hedge exposures, relative to unique circumstances in the market. As such, the Fund has excluded these derivative types from the above table, as they are not representative of the Fund's regular trading activity throughout the year.

[IF APPLICABLE - for Funds that traded immaterial amounts of derivatives during the year and are not holding any at year end] At December 31, 20XX, the Fund did not hold any derivative contracts. The Fund's volume of derivative trading during the year was de minimus. As a result, no quantitative volume disclosure has been added to the financial statements.

The following table presents the gross amount of the Fund's derivatives as reported in the statement of financial condition as of December 31, 20XX and the net gain and loss amounts as reported in the statement of operations for the year ended December 31, 20XX, classified by the primary underlying risks:

Primary underlying risk	Fair Value (1) Derivative assets	Fair Value (1) Derivative liabilities	Realized gains (losses) (2)	Change in unrealized gains (losses) (2)
Interest rate				
Interest rate swaps	$ -	$ -	$ -	$ -
Swaptions	-	-	-	-
	-	-	-	-
Foreign exchange rate				
Forward contracts	-		-	-
	-		-	-
Equity price				
Total return swaps	-	-	-	-
Futures contracts	-	-	-	-
Options	-	-	-	-
Warrants	-	-	-	-
Contracts for difference	-	-	-	-
	-	-	-	-
Commodity price				
Futures contracts	-	-	-	-
	-	-	-	-
Credit				
Protection written:				
Credit default swaps	-	-	-	-
	-	-	-	-
Gross derivative totals:				
Less: cash collateral payables/receivables	-	-	-	-
Less: master netting arrangements	-	-	-	-
Totals	$ -	$ -	$ -	$ -

(1) Derivative assets and derivative liabilities are included on the statement of financial condition as derivative contracts.

(2) Realized gains(losses) are included on the statement of operations as net realized gains(losses) on derivatives. Change in unrealized gains(losses) are included on the statement of operations as net change in unrealized appreciation(depreciation) on derivatives.

D. COLLATERALIZED FINANCING ARRANGEMENTS

[ONLY INCLUDE IF APPLICABLE TO THE FUND AND LENDING AMOUNTS ARE SIGNIFICANT]

Securities Lending Agreement

The Fund may lend securities to various financial institutions, principally to broker-dealers. Those transactions are secured by collateral such as cash, securities, or standby letters of credit, the fair value of which, at all times, is required to be at least [specify the percentage of required collateral value to the amount of securities loaned, including accrued interest and dividends] of the fair value of the securities loaned, plus accrued interest and dividends.

If the collateral is cash, the Fund normally earns a return by investing that cash typically in short-term, high-quality debt instruments. Investments of cash collateral are subject to the Fund's investment restrictions. If the collateral is other than cash, the Fund typically receives a fee as compensation for the securities loaned. The Fund also continues to receive dividends and interest on the securities loaned.

The Fund has the right under its securities lending agreement to recover the securities loaned from the counterparty on demand. If the counterparty fails to deliver the securities on a timely basis, the Fund could experience delays or loss on recovery. In addition, the Fund is subject to risk of loss from investments made with cash collateral received. In the event of default, the Fund has the right to use the collateral to offset the net amount owed by the counterparty.

As of December 31, 20XX, the Fund entered into a securities lending agreement with its prime broker and loaned common stocks having a fair value of approximately $XXX, XXX and received $XXX,XXX of cash collateral for the loan. This cash was invested in U.S. Treasury bills with a maturity of April 1, 20XX.

E. OFFSETTING ASSETS AND LIABILITIES

[If applicable, see separate Offsetting Assets and Liabilities Disclosure Template for sample disclosure language]

F. PRINCIPAL RISKS

[ONLY INCLUDE RISKS APPLICABLE TO THE FUND]

[INSERT APPLICABLE DIGITAL ASSETS RISKS AND DIGITAL ASSET RELATED RISKS FROM THE PPM/LPA]

Concentration of Credit Risk

The Fund maintains its cash at [INSERT NUMBER] institution/s which is/are insured by the Federal Deposit Insurance Corporation (FDIC) and/or Securities Investor Protection Corporation (SIPC). At December 31, 20XX, the Fund had cash and investment balances held at its bank/broker in excess of the maximum amounts insured. The Fund is subject to credit risk to the extent any financial institution with which it conducts business is unable to fulfill contractual obligations on its behalf.

Financial Instruments

In the normal course of business, the Fund has investments and enters into various financial transactions where the risk of potential loss due to changes in the market (market risk), failure of the other party to the transaction to perform (credit risk) or changes in foreign exchange rates (currency risk) exceeds the related amounts recorded. Depending upon the counterparties used, trading strategies employed, and fluctuations in the value of the underlying financial instruments or currencies, the degree of risk can vary. **[Consider including if applicable** - The success of any investment activity is influenced by general economic conditions that may affect the level and volatility of equity prices, credit spreads, interest rates and the extent and timing of investor participation in the markets for both equity and interest rate sensitive investments. Unexpected volatility or illiquidity in the markets in which the Fund directly or indirectly holds positions could impair its ability to carry out its business and could cause losses to be incurred. See below for a detailed description of selected principal risks.]

Market risk represents the potential loss that can be caused by increases or decreases in the fair value of investments. The Fund's exposure to market risk is directly influenced by a number of factors, including volatility and liquidity of the markets in which the financial instruments are traded. **[Consider including if applicable** - The Fund invests in illiquid securities, and other restricted securities, which are included in investments in private operating companies in the statement of financial condition. Realization of the amounts invested are contingent in part upon liquidation, redemption, or disposition of such investments. The amount to be realized and the timing of such a realization cannot be accurately estimated by the Fund at this time. The amount to be realized could ultimately be materially more or less than the current fair value of investments in private operating companies.

A portion of the Fund's investments are made in private operating companies whose shares and or tokens do not trade on established exchanges. While it is expected that these companies may pursue initial public offerings, trade sales, or other liquidation events, there are generally no public markets for these investments at the current time.

Credit risk represents the risk that the counterparties that the Fund conducts business with will be unable to fulfill their contractual obligations.

Currency risk represents the potential loss that can be caused by increases or decreases in foreign currency exchange rates. The Fund's exposure to currency risk is directly influenced by a number of factors, including volatility and liquidity of the foreign markets in which the financial instruments are traded.

Liquidity Risk

Liquidity risk arises in the general funding of the Fund's trading activities. It includes the risks of not being able to fund trading activities at settlement dates and liquidate positions in a timely manner at a reasonable price. **[If following two sentences are not applicable, add Fund specific language.]** The Fund manages its liquidity risk by investing primarily in marketable investments and financing its trading activities using traditional margin arrangements. Generally, the financial instruments can be closed out at the discretion of the General Partner. An illiquid or closed market, however, could prevent the closeout of positions.

Securities Sold Short

Securities sold short represent the Fund's practice of selling securities that are not currently owned, and subsequently repurchasing them with the expectation that the security will decrease in value. The ultimate liability to the Fund may exceed the amount shown on the statement of financial condition.

Possible losses from short sales differ from losses that could be incurred from purchases of securities because losses from short sales may be unlimited whereas losses from purchases cannot exceed the total amount invested.

[Update this language to also include digital assets sold short/borrowed if applicable]

Investment in digital assets

"Digital assets" means a digital representation of value (whether or not characterized as a cryptographic token, coin, or unit) that (1) is not issued by a central bank or a public authority and is not governed by a centralized issuer or administrator (i.e., is decentralized), (2) relies on cryptographic protocols and distributed ledger network technology, (3) is not attached to but may be converted into one or more fiat currencies (and vice versa), and (4) is in some cases accepted as a means of payment and can be transferred, stored or traded electronically.

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

Several factors may affect the price of digital assets, including, but not limited to: supply and demand, investors' expectations with respect to the rate of inflation, interest rates, currency exchange rates or future regulatory measures (if any) that restrict the trading of digital assets or the use of digital assets as a form of payment. There is no assurance that digital assets will maintain their long-term value in terms of purchasing power in the future, or that acceptance of digital asset payments by mainstream retail merchants and commercial businesses will grow.

Digital assets are created, issued, transmitted, and stored according to protocols run by computers in the digital asset network. It is possible these protocols have undiscovered flaws which could result in the loss of some or all assets held by the Fund. There may also be network scale attacks against these protocols which result in the loss of some or all of assets held by the Fund. Some assets held by the Fund may be created, issued, or transmitted using experimental cryptography which could have underlying flaws. Advancements in quantum computing could break the cryptographic rules of protocols which support the assets held by the Fund. The Fund makes no guarantees about the reliability of the cryptography used to create, issue, or transmit assets held by the Fund.

The prices of digital assets in which the Fund may invest can be highly volatile. Price movements of digital assets in which the Fund's assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Fund is subject to the risk of failure of any of the centralized exchanges on which their positions trade.

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

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

Digital asset exchanges are appealing targets for cybercrime, hackers, and malware. It is possible that while engaging in transactions with various digital asset exchanges located throughout the world, any such exchange may cease operations due to theft, fraud, security breach, liquidity issues, or government investigation. In addition, banks may refuse to process wire transfers to or from exchanges. Over the past several years, many exchanges have, indeed, closed due to fraud, theft, government or regulatory involvement, failure or security breaches, or banking issues.

Any financial, security or operational difficulties experienced by such exchanges may result in an inability of the Fund to recover money or digital assets being held by the exchange, or to pay investors upon withdrawal. Further, the Fund may be unable to recover digital assets awaiting transmission into or out of the Fund, all of which could adversely affect an investment in the Fund. 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 Fund, its operations and investments, or the limited partners.

The Fund may trade on a limited number of exchanges (and potentially only a single exchange) either because of actual or perceived counterparty or other risks related to a particular exchange. Trading on a single or limited number of exchanges may result in less favorable prices and decreased liquidity for the Fund and therefore could have an adverse effect on the Fund and the limited partner.

If applicable for non-us exchange use: Certain of the Fund's digital asset exchanges may operate outside of the United States. The Fund may have difficulty in successfully pursuing claims in the courts of such countries or enforcing in the courts of such countries a judgment obtained by the Fund in another country. Further, should an exchange cease operation due to criminal actions or for financial or regulatory reasons, the Fund may suffer losses and will likely be subject to the laws of the exchange's home country when pursuing remedies. 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. Exchanges operating outside the U.S. typically limit or prohibit, or may in the future without notice limit or prohibit, investment by entities with U.S. beneficial owners in order to avoid U.S. regulations. Should an exchange on which the Fund trades prohibit U.S. beneficial owners or limit the Fund's trading, the Fund may be forced to liquidate its positions at an inopportune time and be further limited or prevented from making investments in accordance with its investment strategy. It is possible in such an event that the exchange could "freeze" the Fund's account thereby preventing the Fund from accessing its account completely, and the Fund would be unable to trade or withdraw funds from the exchange. Furthermore, any trading profits that the Fund would have made as a result of early liquidation will not be available to the Fund and the Fund, in certain cases, may be obligated to indemnify the exchange for losses incurred due to the liquidation and to participate in an investigation conducted by the exchange and/or relevant authorities. If the Fund holds assets on an exchange where it is technically not an eligible counterparty, the exchange may have a claim for breach of contract against the Fund. These legal and regulatory risks may adversely affect the Fund and its operations and investments.

OTC Transactions (and Counterparty Risk) - The Fund does or may engage in transactions involving digital assets and securities traded on over-the-counter ("OTC") markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This exposes the Fund to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Such risks are accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of OTC counterparties. Moreover, the Fund has no internal credit function that evaluates the creditworthiness of their OTC counterparties. Therefore, to the extent that the Fund engages in trading on OTC markets, the Fund could be exposed to greater risk of loss through default than if it confined its trading to regulated exchanges.

Some of the markets in which the Fund may affect its transactions are "over-the-counter" or "interdealer" markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange-based" markets. This exposes the Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. Such "counterparty risk" is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Fund has concentrated its transactions with a single or small group of counterparties. The Fund is not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. Moreover, the Fund has no internal credit function that evaluates the creditworthiness of their counterparties. The ability of the Fund to transact business with any one or number of counterparties, the lack of any meaningful and independent evaluation of such counterparties financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Fund.

Custody of Fund Assets - The Investment Manager/General Partner employs a comprehensive due diligence process to select custodians, exchanges, and wallets that it determines have developed sophisticated security systems, and will continue to reevaluate the due diligence process and the security systems of the various exchanges and wallets. The Investment Manager/General Partner shall maintain custody of the Fund's digital assets, by generating the private keys that control movement of the digital assets. Digital asset exchanges may also require the Investment Manager/General Partner to provide control of the private keys when an exchange is utilized by the Fund. The Investment Manager/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 Investment Manager/General Partner is not liable to the Fund 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 Investment Manager/General Partner. To the extent that the security system is penetrated, any loss of the Fund's digital assets may adversely affect a limited partner's investment and could result in total loss of capital.

The Fund has a substantial portion of its assets custodied on various digital asset exchanges, financial institutions, or held in private wallets in connection with its trading of certain investments and its cash management activities. In the event of a party's insolvency, recovery of the Fund's assets on deposit may be lost. As the Fund custodies a substantial portion of its assets on various exchanges, financial institutions, and private wallets, the Fund has group concentrations of credit risk with these parties (including the Investment Manager/General Partner). The Fund bears the risk of loss only to the extent of the fair value of its respective investments and, in certain specific circumstances, distributions and redemptions receivable.

The following table details the fair value of the Fund's digital assets and cash accounts held by these parties as of December 31, 20XX:

[Insert table for counterparty and self custody concentration]

SAFTs are undelivered tokens and custody is directly with the underlying counterparty to the contract agreement or the smart contract protocol to the agreement once a TGE (token generation event) has occurred.

Third Party Wallet Providers – The Investment Manager/General Partner may use custodians or third party wallet providers in its discretion to hold a portion of the Fund's digital assets. Third party wallet providers may be prone to losses arising out of hacking, loss of passwords, compromised access credentials, malware, or cyber-attacks. The Fund may have a high concentration of its digital assets in one location or with one third party wallet provider. The Fund is not required to maintain a minimum number of wallet providers to hold the Fund's digital assets. The Fund may not do detailed information technology diligence on such third-party wallet providers and, as a result, may not be aware of all security vulnerabilities and risks. While some custodians may maintain commercial crime insurance on their digital asset wallets and a capital reserve to protect against losses, certain other third-party wallet providers may not indemnify the Fund against any losses of digital assets. digital assets held by third parties could be transferred into "cold storage" or "deep storage," in which case there could be a delay in retrieving such digital assets. The Fund may also incur costs related to third party storage. Any security breach, incurred cost or loss of digital assets associated with the use of a third-party wallet provider, may adversely affect an investment in the Fund.

Risk of Loss of Private Key – Digital assets are controllable only by the possessor of unique private keys relating to the addresses in which the digital assets are held. The theft, loss or destruction of a private key required to access a digital asset is irreversible, and such private keys would not be capable of being restored by the Fund. Any loss of private keys relating to digital wallets used to store the Fund's digital assets could result in the loss of the digital assets and a limited partner could incur substantial, or even total, loss of capital. The principal(s) of the Investment Manager/General Partner may be the sole individual(s) in possession of the unique private keys required to access the digital assets held by the Fund. The incapacitation of these individuals may result in the loss of the private keys and, consequently, the loss of the digital assets held by the Fund. In such an event, a limited partner could incur substantial, or even total, loss of capital.

Risk of Loss Due to Failure of Custodial Systems – The Investment Manager/General Partner utilizes or may utilize a proprietary self-custody system for custody of the Fund's assets that seeks to mitigate risk from any single malicious individual or security threat, however there are a variety of risks that could lead to a system failure, resulting in the loss of the Fund's digital assets. Any hardware, including physical backups used by the Investment Manager/General Partner to store the Fund's digital assets, could fail or become unusable. Additionally, while funds are being transferred from the applicable custody system, protocol, application, or user errors could additionally lead to incorrect sends that cause funds to be irrecoverably lost. In any of the events described above, a limited partner could incur substantial, or even total, loss of capital.

Risks of Buying or Selling Digital Assets – The Fund may transact with private buyers or sellers or virtual currency exchanges. The Fund will take on certain levels of credit risk every time it purchases or sells digital currency or digital assets, and its contractual rights with respect to such transactions may be limited. Although the Fund's transfers of digital assets or cash will be made to or from a counterparty which the Investment Manager/General Partner believes is trustworthy, it is possible that, through computer or human error, or through theft or criminal action, the Fund's digital assets or cash could be transferred in incorrect amounts or to unauthorized third parties. To the extent that the Fund is unable to seek a corrective transaction with such third party or is incapable of identifying the third party which has received the Fund's digital assets or cash (through error or theft), the Fund will be unable to recover incorrectly transferred digital assets or cash, and such losses will negatively impact the Fund.

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

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

Technology and Security – The Fund must adapt to technological change in order to secure and safeguard client accounts. While the Investment Manager/General Partner believes it uses security systems reasonably designed to safeguard the Fund's digital assets from theft, loss, destruction, or other issues relating to hackers, malicious insiders and technological attack, such assessment is based upon known technology and threats. As technological change occurs, the security threats to the Fund's digital assets will likely adapt and previously unknown threats may emerge. Furthermore, the Investment Manager/General partner believes that the Fund may become a more appealing target of security threats as the size of the Fund's assets grows. To the extent that the Fund is unable to identify and mitigate or stop new security threats, the Fund's digital assets may be subject to theft, loss, destruction, or other attack, which could have a negative impact on the performance of the Fund or result in loss of the Fund's assets.

Stolen or Incorrectly Transferred Digital Assets May be Irretrievable – Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of digital assets or a theft of digital assets generally will not be reversible, and the Fund may not be capable of seeking compensation for any such transfer or theft. It is possible that, through computer or human error, or through theft or criminal action, the Fund's digital assets could be transferred in incorrect amounts or to unauthorized third parties. To the extent that the Fund is unable to seek a corrective transaction with such third party or is incapable of identifying the third party which has received the Fund's digital assets through error or theft, the Fund will be unable to revert or otherwise recover incorrectly transferred digital assets. To the extent that the Fund is unableto seek redress for such error or theft, such loss could adversely affect an investment in the Fund.

Availability of Banking Services – The Fund and other entities that hold, trade in, or otherwise engage in transactions involving digital assets may at any time lose access to fiat banking services from one or more financial institutions, whether as a result of those financial institutions voluntarily ceasing to serve entities engaged in activities related to digital assets or regulatory changes that prohibit or limit such financial institutions' ability to provide services to such entities. The inability to obtain, maintain, and use such banking services may limit the Fund's ability to make distributions to limited partners in fiat currency, to timely pay its service providers and other expenses, or to complete a timely and orderly liquidation of the Fund, any of which may have a material and adverse impact on the Fund.

No FDIC or SIPC Protection – Digital assets held by the Fund are not subject to FDIC or SIPC protections. The Fund is not a banking institution or otherwise a member of the FDIC or SIPC and, therefore, deposits held with or assets held by the Fund are not subject to the protections enjoyed by depositors with FDIC or SIPC member institutions. While private insurance may be available at times, the undivided interest in the Fund's digital assets represented by Interests in the Fund is not insured.

Absence of Regulatory Oversight – The legal status of certain digital assets may be uncertain. It is unclear whether they constitute property, assets, or rights of any kind. Digital assets are not backed by governments, and accounts and value balances are not subject to any statutory or government protections. Regulation of digital asset exchanges are currently undeveloped and likely to rapidly evolve. It is likely that some countries are already considering or may in the future put in place laws, regulations or other actions which may severely impact the Fund's ability to invest, gain market share or otherwise manage its operations. This is particularly the case as digital assets have grown in popularity and market size. New or changing laws and regulations may adversely impact the Fund's ability to earn returns on investments. Additionally, it is possible that certain jurisdictions will apply existing regulations on, or introduce new regulations addressing blockchain technology-based applications and related digital assets. This may result in regulation of digital assets held, which may result in increased volatility and value suppression, and could adversely impact the Fund's performance and assets. Digital assets are a new technology. In addition, there are other risks associated with and/or related to digital assets/tokens including, but not limited to, any type of technology risks and those that we are unable to anticipate.

Risk of Cryptocurrencies Lending – The Fund may borrow and lend cryptocurrencies, tokens, and other types of digital assets in the ordinary course of its business. Third parties that borrow cryptocurrencies, tokens, or other digital assets from the Fund may not be able to return these cryptocurrencies, tokens, or other digital assets on demand (possibly causing the Fund to default on its obligations to other parties) and may also default on the payment obligations owed to the Fund in connection with such loans, potentially resulting in substantial losses to the Fund. The Fund may lose the entire value of the cryptocurrencies, tokens, and other types of digital assets it lends to defaulting borrowers. The Fund may lend only one or a limited universe of digital assets, including but not limited to stablecoins. In the event of the catastrophic failure of a particular digital asset protocol, such protocol may convert the entire digital asset to another digital currency or digital asset, which may result in a particular risk that some or all of the principal may be lost, or assets placed into the protocol may be lost in their entirety.

Digital Asset Lending and Borrowing – The Fund may lend digital assets to securities brokers and other institutions to earn additional income or borrow digital assets from securities brokers or other institutions to enable short sales. If the other party becomes insolvent or bankrupt, the Fund could experience delays and costs in recovering payment or the digital assets. If, in the meantime, the value of the digital assets changes, the Fund could experience further losses. Digital assets loans may be fully collateralized and the Investment Manager/General Partner may misjudge the creditworthiness of the other party to the transaction. If the lending or borrowing occurs through a blockchain-based platform, additional risks related to such platform may impair the Fund's loans or collateral.

Initial Coin Offering and Pre-Sale Initial Coin Offering Risk – The Fund may invest some of its assets in initial coin offerings ("ICOs"). Similarly, the Fund may also invest some of its assets in presale-ICOs ("pre-ICOs"), which may include but are not limited to Simple Agreements for Future Tokens ("SAFTs"). ICOs and pre-ICOs allow for investors to purchase digital assets offered or created by blockchain based companies on various platforms in exchange for dollars or already established digital currencies which can then be converted to dollars on a cryptocurrency exchange. ICOs and pre-ICOs are currently unregulated and are subject to fraud, security breaches, regulatory developments, enforcement actions, and technological developments. ICOs and pre-ICOs can at any point become subject to federal and state securities laws, federal commodity laws, and various international regulations, among other restrictions. Such restrictions may have an adverse impact on the Fund's assets or on the Fund's ability to sell its assets. As investors can purchase new tokens with already existing digital currencies, investments in ICOs and pre-ICOs subject the Fund to all risks associated with digital currencies in general. Digital assets acquired by the Fund in connection with ICOs and pre-ICOs may also entail promises to sell within, or hold for, a specified time period. As a result, the Fund may be forced to sell an investment at an inopportune time, or hold an investment at times where it would otherwise be advantageous to sell.

Simple Agreement for Future Tokens – The Fund's assets may be invested in ICOs through SAFTs. 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 Fund 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 future restrictions may have an adverse impact on the Fund's assets or on their ability to sell their assets. SAFTs further subject the Fund to all risks associated with digital assets in general.

Non-Fungible Tokens – NFTs are unique digital assets (often in the form of art or collectibles) that cannot be exchanged for the same amount of the same kind of asset because each holds different characteristics. Unlike digital currencies, NFTs are differentiated from others of its kind in code, and each may hold several different functionalities and characteristics. Similar to digital currencies, there are risks associated with using internet-based assets, including, but not limited to, the risk of source code, hardware, software and Internet connections failure or problems. The source code relating to the holding and transfer of such assets is vulnerable to software failure, hacking, and malware, and could lead to theft and loss of the Fund's assets. NFTs are created, issued, and transmitted according to their respective protocols run by computers in the NFT network. These protocols may have underlying flaws that may result in the loss of some or all assets held by the Fund. These protocols may also be subject to network scale attacks that result in the loss of some or all assets held by the Fund. In general, these protocols are currently start-up businesses with no institutional backing, limited operating history and no publicly available financial information. The participation in such protocols requires users to take on risk by transferring digital assets from a personal account to a third-party's account. In particular, NFTs are traded peer-to-peer in decentralized online marketplaces; therefore, it may be difficult or impossible to verify the identity of third-party buyers and sellers, or whether a third-party buyer or seller is a bona fide participant in the network. This creates credit risk that the unknown counterparty will not perform its obligations under the related agreement. It also increases the risk of fraudulent transactions, in that an unscrupulous market participant could use hidden wallets to sell and/or buy assets to or from itself at inflated prices, thereby seeming to create gains that in reality do not exist. For example, OpenSea is the largest marketplace for user-owned digital goods and NFTs; however, it is only an administrative platform that facilitates peer-to-peer transactions between buyers and sellers. OpenSea is not a broker, financial institution, or creditor. The Fund is therefore subject to risks that a counterparty will not perform its obligations under the related contracts without any recourse through the exchange platform. These platforms may also impose daily, weekly, monthly, or customer-specific transaction or distribution limits or suspend access or withdrawals entirely, rendering the exchange of such digital assets for fiat currency difficult or impossible. Additionally, digital asset prices and valuations on such platforms have been volatile and subject to influence by many factors including the levels of liquidity on protocols and operational interruptions and disruptions. The prices and valuation of digital assets remain subject to any volatility experienced by digital asset protocols, and any such volatility can adversely affect an investment in the Fund.

Valuation risk-the unique nature of NFTs presents an inherent difficulty in the valuation of the digital assets. Each NFT is comprised of its own data, which defines its characteristics in the context of its network; therefore, without a liquid market of comparable assets, the valuation of the current market price of the NFT will likely be less precise. The value of NFTs may be based on certain criteria within the context of its network and often on the appreciation of its respective community of network participants. Valuation of certain NFTs thus may require identifying the criteria and distinguishing characteristics that define its value within its native network. For the aforementioned reasons, the Investment Manager/General Partner will value NFTs as described above. The value of NFTs may also be dependent upon the use or public interest in the creation and development of distributed networks and related applications surrounding the NFTs. A lack of use or public interest in the creation of such networks and ecosystems of applications may negatively impact the potential value or utility of the NFTs and adversely affect the Fund's investment.

Amendments to a Digital Asset Network's Protocols and Software (Hard Fork) – Digital asset networks are typically based on protocols that govern peer-to-peer interactions between computers connected to a Digital asset's network. Generally, the code that sets forth a Digital asset's protocol is informally managed by a development team known as the core developers. A Digital asset's core developers, miners, and/or users (each such core group in respect of a particular digital asset, the "Community") can propose amendments to a network's source code through one or more software upgrades that alter such Digital asset's protocols, the software that govern its network and the properties of the digital asset itself, including, but not limited to, the irreversibility of transactions and limitations on the mining/creation of new digital asset units. To the extent that a majority of a Community installs such software upgrade(s), such Digital asset's network could be subject to new protocols and software that may adversely affect the Fund's investment and trading activities. If less than a majority of a Community installs such software upgrade(s), such digital asset's network could "fork."

Many digital assets are open source projects and, although there may be an influential group of leaders in a specific Community, there may be no official developers or group of developers that formally control the applicable network. For many digital assets, any individual can download the applicable network software and make any desired modifications, which are proposed to the relevant digital asset's Community through software downloads and upgrades. However, the Community must usually consent to those software modifications by downloading the altered software or upgrade that implements the changes; otherwise, the changes do not become a part of that network. A developer or group of developers could potentially propose a modification to a network that is not accepted by the applicable Community, but that is nonetheless accepted by a substantial portion of such Community. In such a case, a "fork" in the blockchain could develop and two separate networks could result, one running the pre-modification software program and the other running the modified version (i.e., a second such network in respect of the same digital asset). Such a fork in the blockchain typically would be addressed by Community-led efforts to merge the forked blockchains. This kind of split in a network could materially and adversely affect the value of Fund investments and, in the worst-case scenario, harm the sustainability of the applicable digital asset's economy.

Forks and Airdrops – The blockchain code for a digital asset may be split, resulting in two different digital assets: one that is unaltered and a second, new digital asset whose code is based on but differs from the original digital asset's code (a "Hard Fork"). Further, new digital assets may be distributed via "airdrops" to holders of certain existing digital assets (an "Airdrop"). New digital assets provided via a Hard Fork or Airdrop are provided involuntarily and without consideration. A Hard Fork or Airdrop may affect the value of the original digital asset. The Investment Manager/General Partner, in its sole discretion, may elect to claim the new digital asset created as a result of a Hard Fork or Airdrop. Further, various exchanges, custodians, wallets, or other storage solutions may not accommodate such Hard Forks or Airdrops or may only accommodate such Hard Forks or Airdrops after a significant period of time. Additionally, the Investment Manager/General Partner may not have any systems in place to monitor or participate in Hard Forks or Airdrops. Therefore, the Fund may not receive any new digital assets created as a result of a Hard Fork or Airdrop, thus losing any potential value from such digital assets. Airdrops can related to NFTs as well.

Digital Asset Transaction Costs and Settlement Times – Transaction costs related to the purchase, sale, or exchange of digital assets can be significant depending on the network, digital asset exchange, or other means used to engage in such transaction. Because networks can only process a limited number of transactions simultaneously, the fees charged to process a specific transaction or the settlement time for such transaction may be significant. Such fees or delayed settlement times may limit the Fund's ability to engage in subsequent transactions or to exit positions during periods of heightened volatility without incurring substantial fees or other transaction costs.

Risk of staking – The Fund may stake or delegate tokens to a network, protocol or platform in order to validate blocks of transactions on the network or earn rewards for putting its capital at risk. Staking provides users a chance to earn rewards as well as potentially the ability to participate in the governance of projects through voting. Staking tokens often include a specified lockup period where the delegated token is unable to be moved on the blockchain or traded. These restrictions inhibit the Fund's ability to quickly get liquidity and trade at the prevailing market prices.

Smart contract risk – The Fund may at times utilize specific blockchains or smart contracts deployed on various blockchains, such as Ethereum, with digital assets owned by the Fund in order to trade, derive yields or perform other operations. Those blockchains and smart contracts carry risks with them as those are built on computer code and despite code reviews, security audits and best practices there can still be exploits in blockchains or smart contracts present, which could lead to loss of funds or adversely affects the Fund's operations.

Proof of Stake Risk – The Fund may invest some of its assets through protocols that verify transactions through a concept known as Proof of Stake ("PoS"). PoS generally allows holders of a digital asset to verify future transactions in a protocol based on various factors, depending on the rules of the protocol. Some protocols allow holders with a larger amount of the digital asset (i.e., stakes) deposited in the protocol to be awarded with additional digital assets through the verification of future transactions. Those with stakes in some protocols may also have the ability to govern and vote on how the protocol is controlled in the future. As PoS typically requires storing a large amount of the relevant digital asset for a potentially long period of time in order to verify future transactions on the protocol, such investments may be illiquid for an extended period of time before there is any return on investment. Such illiquidity could have an adverse effect on the Fund. To the extent the Fund invests any of its assets through PoS-based protocols, there is a risk that a protocol assesses a penalty against the Fund in connection with the Fund's activities in verifying transactions in such protocol, which could result in a loss of some or all of the Fund's digital assets that have been deposited in the protocol. Further, PoS is subject to the same risks associated with digital assets in general including, but not limited to, equipment failure, regulatory control, and a failure of the network which the stake is deposited on.

Slashing of Digital Assets – A "slashing" is an event where the validator in a PoS digital asset network or blockchain is penalized for violating a rule of the protocol, typically by forcing such validator to forfeit a defined proportion of staked tokens, which are then typically burned or redistributed to other stakeholders. Tokens pledged by delegators to validators are typically not subject to slashing, but once pledged by the validator to the protocol are subject to slashing. Downtime and double-signing are examples of behaviors that may be deemed harmful to the protocol and that may result in slashing penalties. Most PoS networks have defined slashing parameters with corresponding penalties and varying degrees of severity, although some networks do not penalize such activities and, instead, rely on opportunity costs and validator reputation to create an efficient delegation market. Certain networks therefore will pose more risks due to parameters around slashing. Additionally, while the Investment Manager/General Partner will seek to only delegate digital assets to reputable validators, any validator may engage in dishonest validations or other malicious behavior for which the Investment Manager/General Partner has no control, and which may result in the "slashing" of the digital assets staked by the validator (including digital assets delegated by the Fund to the validator). To the extent the Fund delegates digital assets to a validator on a PoS digital asset network or blockchain that is subject to slashing, such assets are also subject to slashing which may result in a partial or complete loss of such assets.

Decentralized Finance (DeFi) Risks – DeFi typically involves participation in a blockchain-based digital asset network, protocol or platform ("DeFi Platform") wherein the Fund contributes or lends digital assets and receives interest on such digital assets. Where DeFi lending is on an uncollateralized basis, the Fund is exposed to the credit risk of the underlying borrowers but typically will not be able to conduct due diligence or credit checks on such underlying borrowers and will have to rely on any such due diligence or credit checks conducted or other threshold conditions imposed by the DeFi Platform. Where DeFi lending is on a collateralized basis, there is a risk that, notwithstanding any margin calls or other collateral protection and maintenance mechanisms as may be built into the DeFi Platform, the value of such collateral may not be sufficient to satisfy the principal (or interest) owed on any digital assets lent.

As DeFi lending may not be ring-fenced on a geographic basis, it is also possible for lending to occur across different jurisdictions, which may cause the Fund and/or the DeFi Platform to potentially be in breach of laws or subject to regulatory oversight in such jurisdictions, including as a result of laws or regulations governing the dealing in digital assets, usury laws, money lending laws and may also give rise to the risk of the Fund being deemed to have a business or tax presence in such jurisdictions. There are also greater risks in terms of the profile of borrowers on DeFi Platforms as compared to borrowers on the commercial paper or bond markets. There is no established equivalent to the system of credit ratings for debt issuers or credit scores for individuals for DeFi Platforms.

Furthermore, DeFi Platforms will typically incorporate into their operations smart contracts and both the blockchain and the smart contracts may be subject to slow transaction speeds, denial of service attacks, and other vulnerabilities, flaws, bugs or loopholes which could be the subject of malicious hacks or result in accidental or unintended outcomes which can result in losses for some or all participants on such DeFi Platforms, including as a result of a rug pull scam whereby a liquidity provider lists a token on a decentralized exchange (DEX) for the sole purpose of gaining investment for such token and then pulls all of its liquidity from the project, resulting in a rapid price crash that prevents other investors from retrieving their funds in time. Recovery from such outcomes may not be possible, and in decentralized DeFi Platforms, may require the agreement or all or the majority of participants on such DeFi Platforms to amend or otherwise vary on the operations of the DeFi Platform. On DeFi Platforms where a trusted central or third-party authority plays a role, while such trusted authority may have certain powers within the DeFi Platform (such as emergency controls to halt certain transactions) significant power may be vested in such trusted authorities, introducing a potential key point of failure. Furthermore, DeFi is a new and relatively untested technology, subject to further developments in the area. While it is intended that potential risks will be identified and resolved or otherwise mitigated, there may be risks or categories of risks for which it is not possible to identify or have prior knowledge of, given their novel nature and the failure to adapt to and resolve such novel risks may have an adverse effect on the Fund.

Impermanent Losses – Automated market maker (AMM) protocols and other yield-bearing capital pools are a new and novel technology which allow the Fund to earn trading fees by providing liquidity to such pools. These systems may have risks that are not yet fully understood when there is volatility in the underlying digital assets which comprise the capital pool. Volatility within such yield-bearing capital pools could lead to an impermanent loss of committed digital assets (such loss, "Impermanent Loss") or other unexpected adverse behaviors, thereby lowering the value of the Fund's returns of digital assets from such yield-bearing capital pools. Additionally, such capital pools are open market systems that may be subject to a variety of economic/volatility attacks by other market participants. Such adverse action by other market participants may further increase the volatility of the underlying digital assets in the capital pools thereby compounding any Impermanent Loss.

Digital Assets Miners May Cease to Solve Blocks - If the award of new digital assets as applicable, 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 such digital asset network, as applicable, which would adversely affect the confirmation process for transactions (i.e., decreasing the speed at which blocks are added to the blockchain until the next scheduled adjustment in difficulty for block solutions) and make such network more vulnerable to a malicious actor or botnet obtaining control in excess of fifty percent (50%) of the processing power on such network. Any reduction in confidence in the confirmation process or processing power of such network may adversely impact an investment in the Fund.

Uncertain Legal Status of Decentralized Autonomous Organizations ("DAOs") - DAOs are organizations that rely on smart contracts to grant members the ability to control or direct the DAO's assets. Smart contracts and an underlying blockchain keep track of members, and membership can be purchased or allocated as a reward (such as in the form of a token) in exchange for capital, services, use, or resources. Membership in a DAO gives participants specific rights as enumerated in such DAO's smart contracts and other applicable constituent documents, which may include a portion of such DAO's profits or losses, the right to access, manage, or transfer the assets or services of the DAO, or specific privileges, such as the ability to engage in the DAO's decision-making processes. The legal status of, and laws and regulations applicable to, DAOs is generally unclear and may vary based on jurisdiction, organizational structure (or lack thereof) and other factors such as the DAO's purpose or level of decentralization. Moreover, there is a substantial risk that DAOs formed for the purpose of making a profit would be deemed general partnerships, thus exposing their participants to unlimited joint and several personal liability for the DAO's debts and obligations. If characterized as general partnerships, DAOs may struggle to attract members or meet their intended objectives. Large businesses, institutional investors, and other regulated commercial entities may be reluctant to invest in, participate in or otherwise support a DAO for fear that membership would put their assets at risk. Due to the untested nature of DAOs and the risks inherent in Digital Assets in general, the Fund's investment or participation in DAOs is subject to loss.

G. ESCROW PROCEEDS RECEIVABLE/EARN-OUT PAYMENTS

[ONLY INCLUDE IF APPLICABLE TO THE FUND]

During the year ended December 31, 20XX, the Fund sold its investment in [insert name of investment], for $XX,XXX. Cash in the amount of $XXX,XXX is being held in an escrow account as recourse for indemnity claims that may arise under the respective sale agreements. Assuming no claims, such funds are expected to be fully released to the Fund by [insert date].

The Fund expects to receive earn-out payments based on certain incremental future revenues resulting from the sale of the products of [insert name of investment]. Earn-out payments are considered a contingent consideration, reflected at fair value on the statement of financial condition.

Actual cash receipts from the earn-out payments are uncertain and may differ from estimated payments used to derive fair value, as determined by the General Partner. Review of collectability and fair value of earn-out payments will be performed by the General Partner on an ongoing basis. As of December 31, 20XX, there were no earnout payments recorded on the statement of financial condition.

H. RELATED PARTY TRANSACTIONS

[ONLY INCLUDE WHAT IS APPLICABLE TO THE FUND]

Management Fees

[THIS SECTION SHOULD BE TAILORED TO AGREE TO TERMS OF LPA/OPERATING AGREEMENT]

The Fund pays the Investment Manager a management fee at an annual rate of X.X%, calculated and payable [monthly][quarterly] in [advance][arrears], based on the capital balances of limited partners as of the beginning of each calendar [month][quarter]. The Investment Manager, in its sole discretion, may reduce or waive all or part of the management fee for any limited partner.

Incentive Allocations

At the end of each year, an incentive allocation equal to XXX,XXX% of the net income allocated to each limited partner will be reallocated to the capital account of the General Partner, subject to any prior year loss carryforwards or high water mark provision as defined in the LPA. The General Partner may reduce or waive the incentive allocation with respect to one or more limited partners for any period of time.

Due to Related Parties

Due to related parties reported in the statement of financial condition represents an amount payable to the General Partner for expenses paid on behalf of the Fund's operations.

Limited Partners

Certain limited partners are affiliated with the General Partner. The aggregate value of the affiliated limited partners' share of partners' capital at December 31, 20XX is approximately $X,XXX,XXX.

Certain limited partners have special management fee arrangements, performance arrangements, or redemption rights as provided for in the LPA.

Transactions with Affiliated Entities

Certain members of the General Partner serve as members of the boards of directors of certain investments, aggregating approximately XX% of total investments held by the Fund as of December 31, 20XX. **[If an investment is >5% of net assets, the name of the investment(s) should be specified]**

During the year ended December 31, 20XX, the Fund entered into purchase and sale transactions with [Insert Name], an affiliated entity which is also managed by the General Partner. Total purchases and sales of approximately $XXX,XXX and $XXX,XXX, respectively, were made with this related party. Transactions with related parties resulted in net realized gains (losses) of $XX,XXX and are included in net realized gains(losses) on investments in the statement of operations. The terms, conditions and execution of each such purchase and sale were on an arm's-length basis.

The General Partner generally allocates investments between the Fund and other entities for which it serves as the General Partner on a pro rata basis based on assets under management. In order to maintain pro rata allocations, the Fund may sell securities to, or purchase securities from, these other entities. Such transactions are generally executed at the closing price on the date prior to the trade date, or, in the case of restricted yet tradable securities, at fair value as determined by the General Partner.

Additionally, the Fund may co-invest with other entities with the same General Partner as the Fund. **[CHOOSE ONE]** At December 31, 20XX, the Fund held an investment with a fair value of $X,XXX,XXX that was coinvested with affiliated funds. **[OR]** At December 31, 20XX, the Fund had no investments that were coinvested with affiliated funds.

I. PARTNERS' CAPITAL

[THIS SECTION SHOULD BE TAILORED TO AGREE TO TERMS OF LPA/OPERATING AGREEMENT]

Allocation of Profits and Losses

In accordance with the LPA, at the end of each [month][quarter], profits and losses of the Fund are allocated to the capital account of each partner in proportion to its opening capital balance. **[IF APPLICABLE]** Profits or losses attributable to a side-pocket account are allocated only to those partners participating in the side-pocket account in proportion to the total partners' capital designated as side-pocket accounts at the time the side-pocket accounts were created.

[IF APPLICABLE] Side-pocket Capital Accounts

The General Partner, in its sole discretion, may designate certain investments that lack a readily available market value or are not freely transferable as special investments. At the discretion of the General Partner, a portion of a limited partner's share of a special investment may be transferred to a side-pocket capital account, which is not redeemable until those special investments are sold or deemed to be freely transferable. Only the partners who are invested in the Fund at the time special investments are designated will participate in the special investments. At December 31, 20XX, the Fund had special investments of approximately $XX,XXX,000.

Capital Contributions

Capital contributions of cash and/or marketable investments (at the discretion of the General Partner) may be made on the first day of each [month][quarter] and at any other time at the discretion of the General Partner. The minimum initial investment of a limited partner is $X,XXX,XXX, although, the General Partner, in its sole discretion, may accept lesser amounts. At the sole discretion of the General Partner, the Fund may accept marketable investments or digital assets contributed in-kind in lieu of cash contributions. In-kind contributions are recorded and contributed to the Fund at fair value at the time of contribution. For the year-ended Dec 20XX, the Fund accepted in-kind contributions of $X,XXX,000 in the form of (describe the security)." For crypto funds this would also include the contribution of stable coins (i.e. USDC, USDT, etc.).

Capital Withdrawals

A limited partner is generally permitted to request a capital withdrawal from its capital account as of the last business day of any calendar [month][quarter], or any other date as the General Partner may determine in its sole discretion, provided that at least 30 days' prior written notice of such withdrawal is given, following a [Insert # Months] lock-up period on initial investment. **[IF APPLICABLE]** The Fund charges an early withdrawal fee of X.X% of the withdrawal amount to limited partners withdrawing capital prior to the expiration of the lockup period. Early withdrawal fees collected are allocated on a pro rata basis to the remaining partners in the Fund.

Payments for capital withdrawals are generally made within 30 days of the effective withdrawal date. If a partner withdraws 90% or more of the funds from their capital account, the General Partner may, in its sole discretion, holdback 10% of the capital withdrawal amount pending completion of the annual audit of the Fund's financial statements for the year in which the withdrawal takes place. The Fund will not pay any interest on the remaining balance of the withdrawing partner's capital account and the balance will not be considered to be invested in the Fund.

[IF APPLICABLE] Capital Contributions Received in Advance

Capital contributions received in advance represent an amount due to a partner's capital account, based on the Fund receiving cash prior to the contribution's effective date.

[IF APPLICABLE] Capital Withdrawals Payable

Capital withdrawals payable represents a payment owed to a partner based on a withdrawal requested from their capital account.

Commitments and contingencies

[IF APPLICABLE] The Fund is a guarantor of a loan payable entered into by a related party of approximately $XXX,000, which matures on [Date, Year]. If the related party defaults on its loan payments, the Fund may be required to perform under the guarantee to the extent of any unpaid loan principal and interest amounts outstanding.

[IF APPLICABLE] In the normal course of operations, the Fund enters into derivative transactions that are cross-collateralized between related funds under common management that enter into similar transactions with the same counterparty. In the event the related funds are unable to fulfill their obligations with the counterparty, the Fund may be required to perform to the extent the related funds have outstanding obligations. At December 31, 20XX, the outstanding obligations of the related funds amounted to approximately $X,XXX,000.

[IF APPLICABLE] As of December 31, 20XX, the Fund is subject to the following commitments:

- Investment 1: Per the (Investment 1 name) Series [X] Preferred Stock Purchase Agreement, the Fund may be obligated to fund an additional $XX,XXX,000 contingent on the company achieving certain milestones.
- Investment 2: Per the (Investment 2 name) subscription agreement, the Fund has commitments of $XX,XXX,000 to (Investment 2 name). The Fund may be obligated to fund an additional $XX,XXX,000, subject to certain closing conditions.

[IF APPLICABLE] The Fund entered into a line of credit agreement with a financial institution that provides for borrowings up to $X,XXX,000 and expires on [Date, Year]. The line of credit is collateralized by certain assets of the Fund. Any outstanding line of credit balance bears interest at the [interest rate] percent. At December 31, 20XX, outstanding borrowings under the line of credit amounted to approximately $X,XXX,000.

[IF APPLICABLE] In the normal course of business, the Fund has been named as a defendant in various matters. Management of the Fund, after consultation with legal counsel, believes that the resolution of these matters will not have a material adverse effect on the financial condition, results of operations or cash flows of the Fund.

J. MANAGEMENT INDEMNIFICATIONS

The Fund provides general indemnifications to the General Partner and its respective affiliates, shareholders, members, partners, managers, directors, officers and employees when acting in good faith and in the best interest of the Fund. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts. The General Partner is unable to estimate any potential future payment amounts and expects the risk of any such loss to be remote. Accordingly, no accrual has been made for a liability as of December 31, 20XX.

K. ADMINISTRATIVE SERVICES

[Insert Name of Administrator] serves as the administrator of the Fund and provides certain administrative and accounting services pursuant to an agreement. For the year ended December 31, 20XX, the Fund incurred expenses of approximately $XX,000 for administrative services, which are included in professional fees on the statement of operations.

[IF APPLICABLE] The Administrator is also affiliated with a broker through which the Fund transacts operations. At December 31, 20XX, there is a balance of approximately $X,XXX,XXX due [from][to] this broker. **[IF APPLICABLE]** At December 31, 20XX, cash balances in the amount of $XXX,XXX are held by an affiliate of the Administrator.

L. FINANCIAL HIGHLIGHTS

The financial highlights presented are for the year ended December 31, 20XX:

	LIMITED PARTNERS	
Total Return:		
Total return before incentive allocation to General Partner	-	%
Incentive allocation to General Partner	-	
Total return including incentive allocation to General Partner	-	%
Ratios to average limited partner's capital:		
Expenses (including interest and short dividends)	-	%
Incentive allocation to General Partner	-	
Expenses and incentive allocation to General Partner	-	%
Net Investment income (loss)	-	%

The financial highlights presented are calculated for the Fund's limited partner class as a whole. Due to the timing of capital transactions, and different management fee and/or incentive allocation arrangements, an individual limited partner's returns may vary. The net investment income (loss) ratio excludes realized and unrealized gains (losses) and does not include the effect of the incentive allocation to the General Partner.

[For Funds that invest in private investment companies] The net investment income (loss) ratio does not include the income and expenses earned and incurred by underlying private investment companies held by the Fund during the year.

[For Funds open greater than or less than one year] The ratios, excluding nonrecurring expenses and the incentive allocation to the General Partner, have been annualized.

M. SUBSEQUENT EVENTS

Management of the Fund has evaluated subsequent events through [Insert audit report date], the date on which the financial statements were available to be issued.

[IF APPLICABLE] From January 1, 20XX through [Insert audit report date] no subsequent events occurred that required disclosure.

[IF APPLICABLE] From January 1, 20XX through [Insert audit report date] the Fund had approximately $X,XXX,XXX of capital contributions and $X,XXX,XXX of capital withdrawals, of which, approximately $X,XXX,XXX was requested by the General Partner.

[IF APPLICABLE] From January 1, 20XX through [Insert audit report date], the Fund made additional investments of approximately $XX,XXX,XXX in private investment companies and received distributions from private investment companies of approximately $XX,XXX,XXX.

[Additional disclosures should be added for significant events that occur related to the Fund subsequent to year end (i.e. Significant changes in investment values or significant purchases or sales of investments, significant withdrawal request, liquidation of the Fund, reorganization, litigation, etc.)