Name of Offeree: _____ Copy No. _____

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

COINDEX CAPITAL, LLC

A Delaware Limited Liability Company

Limited Liability Company Membership Interests in

COINDEX MARKET NEUTRAL SERIES

Minimum investment: $1,000,000

Manager:

COINDEX CAPITAL MANAGEMENT, LLC

January 2022

Coindex Market Neutral Series
of
Coindex Capital, LLC

1700 Northside Drive, Suite 7A, Unit 5040
Atlanta, GA 30318

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

The Master LLC is a "multi-series" limited liability company organized under Section 18-215(b) of the Delaware Limited Liability Company Act, as amended (the "***LLC Act***"). Each series will offer investors exposure to a particular trading and/or investment strategy directed by the manager, Coindex Capital Management, LLC, a company with limited liability incorporated under Delaware law (the "***Manager***").

The Manager may, in its sole and absolute discretion and without notice to any investor, establish a new series of the Master LLC, including a series that is open only to investors that are officers, employees or affiliates of the Manager. The Master LLC's assets are held in various series or strategies, which are unique limited liability entities, and, assuming that the Master LLC has complied with all the requirements of the LLC Act, each Fund is shielded from the liabilities of any other Fund. There can be no assurance, however, that U.S. bankruptcy law would respect the provisions of the LLC Act that provide such liability segregation among the Funds.

This Memorandum relates to the offering (the "***Offering***") of the Fund's non-managing limited liability company membership interests (the "***Membership Interests***" or "***Interests***").

THE INTERESTS OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE "*SEC*") OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE, NOR HAS THE SEC OR ANY SUCH AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

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

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

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

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

The Interests being offered have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), and have not been registered under the securities laws of any state, but are being offered and sold for purposes of investment and in reliance on the statutory exemptions contained in Sections 4(2) and/or 3(b) of the Securities Act and in reliance on applicable exemptions under state securities laws. Such Interests may not be sold, pledged, transferred or assigned except in a transaction which is exempt under the Securities Act and applicable

state securities laws, or pursuant to an effective registration statement thereunder or in a transaction otherwise in compliance with the Securities Act, applicable state securities laws, this Memorandum and the Fund's First Amended and Restated Fund Agreement (the "***Fund Agreement***").

THERE IS NO PUBLIC MARKET FOR THE INTERESTS AND NONE IS EXPECTED TO DEVELOP IN THE FUTURE.

The tax considerations of an investment in the Fund are complex and many significant aspects of the U.S. federal income tax treatment of Digital Assets are uncertain. Prospective investors are encouraged to consult with tax advisors who have substantial expertise with this aspect of the tax law.

THE MANAGER HAS CLAIMED AN EXEMPTION UNDER U.S. COMMODITY FUTURES TRADING COMMISSION ("***CFTC***") PURSUANT TO RULE 4.13(A)(3) FROM REGISTRATION WITH THE CFTC AS A COMMODITY POOL OPERATOR AND, ACCORDINGLY, IS NOT SUBJECT TO CERTAIN REGULATORY REQUIREMENTS WITH RESPECT TO THE FUND THAT WOULD OTHERWISE BE APPLICABLE ABSENT SUCH AN EXEMPTION. IN ACCORDANCE WITH SUCH EXEMPTION, AT ALL TIMES EITHER (A) THE AGGREGATE INITIAL MARGIN AND PREMIUMS REQUIRED TO ESTABLISH COMMODITY INTEREST POSITIONS WILL NOT EXCEED 5% OF THE LIQUIDATION VALUE OF THE FUNDS PORTFOLIO; OR (B) THE AGGREGATE NET NOTIONAL VALUE OF COMMODITY INTEREST POSITIONS WILL NOT EXCEED 100% OF THE LIQUIDATION VALUE OF THE FUND'S PORTFOLIO.

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

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

ERISA PLAN AND IRA INVESTORS

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

NASAA Uniform Disclosure:

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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

Florida Residents:

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

Forward Looking Statements

CERTAIN INFORMATION IN THIS MEMORANDUM MAY CONSTITUTE OR CONTAIN FORWARD-LOOKING STATEMENTS OR INFORMATION, WHICH MAY BE IDENTIFIED BY THE USE OF FORWARD-LOOKING TERMINOLOGY SUCH AS “MAY,” “WILL,” “SHOULD,” “EXPECT,” “ANTICIPATE,” “PROJECT,” “ESTIMATE,” “INTEND,” “CONTINUE” AND “BELIEVE,” OR THE NEGATIVE THEREOF OR SIMILAR VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. DUE TO VARIOUS RISKS AND UNCERTAINTIES, INCLUDING THOSE SET FORTH UNDER “RISK FACTORS” AND “CONFLICTS OF INTEREST,” ACTUAL EVENTS OR RESULTS OR THE ACTUAL BUSINESS PERFORMANCE OF THE FUND MAY DIFFER MATERIALLY FROM THOSE REFLECTED OR CONTEMPLATED IN THE FORWARD-LOOKING STATEMENTS. ALL FORWARD-LOOKING STATEMENTS AND INFORMATION IN THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM ARE MADE AS OF THE DATE HEREOF, BASED ON INFORMATION AVAILABLE TO THE MANAGER AS OF THE DATE HEREOF. ANY FORWARD-LOOKING INFORMATION OR STATEMENTS CONTAINED IN THIS MEMORANDUM SHOULD BE CONSIDERED WITH THESE RISKS AND UNCERTAINTIES IN MIND. NEITHER THE MANAGER NOR THE FUND ASSUMES ANY OBLIGATION TO UPDATE ANY FORWARD-LOOKING STATEMENT OR INFORMATION CONTAINED IN THIS MEMORANDUM.

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EXECUTIVE SUMMARY

This Memorandum relates to the Offering of the Fund, a series of Membership Interests of the Master LLC. The purpose of using the "series" structure of the Master LLC is to achieve trading and administrative efficiencies.

Coindex Capital Management, LLC, a Delaware limited liability company, serves as the manager (the "***Manager***") of the Fund. Under the Fund's First Amended and Restated Fund Agreement (as the same may be amended, supplemented or revised from time to time, the "***Fund Agreement***"), the Manager is primarily responsible for the management of the Fund. The office of the Manager is located at 1700 Northside Drive, Suite 7A, Unit 5040, Atlanta, GA 30318 and its telephone number is 803-319-2386.

The Fund is presently accepting subscriptions from a limited number of sophisticated investors (as described in the "*Summary of Key Terms*," below), generally in minimum amounts of not less than $1,000,000. The Fund will generally accept initial or additional capital contributions as of the first calendar day of any calendar month, or at any other time the Manager chooses to accept such contributions.

Investors in the Fund will be subject to a monthly management fee equal to 0.1667% (2% annually), payable in arrears, of each investor's capital account balance as of the end of such calendar month; and (ii) a quarterly performance allocation equal to twenty percent (20%) of each investor's ratable share of the Fund's profits for such calendar quarter, provided such profits exceed such investor's "high water mark."

Subject to certain additional restrictions set forth in the Fund Agreement, Investors will generally be permitted to make withdrawals of capital as of the close of business on the last day of each calendar month, provided the withdrawing investor notifies the Manager not less than thirty (30) days in advance of the applicable withdrawal date of its intent to make a withdrawal.

DIRECTORY

The Fund:	Coindex Capital, LLC *Coindex Market Neutral Series* c/o Coindex Capital Management, LLC 1700 Northside Drive, Suite 7A, Unit 5040 Atlanta, GA 30318
Manager:	Coindex Capital Management, LLC 1700 Northside Drive, Suite 7A, Unit 5040 Atlanta, GA 30318 Tel: 803-319-2386 Email: team@coindexcap.com Attn: Ryan DeMattia
Administrator:	NAV Fund Administration Group NAV Consulting | NAV Cayman | NAV Backoffice 1 Trans Am Plaza Drive, Suite 400 Oakbrook Terrace, IL 60181 P: +1 630-954-1919, P: +1 345-946-5006 F: +1 630-596-8555 F: +1 345-946-5007 F: +1 630-954-2881 Transfer.agency@navconsulting.net
Auditor:	Cohen & Company 370 Lexington Ave, Suite 1506, New York, NY 10017
Legal Advisor:	Riveles Wahab, LLP 60 Broad Street, Suite 2510B, New York, NY 10004

INVESTMENT PROGRAM

Investment Objective and Strategy Overview

The Fund utilizes predictive AI in an attempt to anticipate volatility and inefficiency in cryptocurrency markets and programmatic trading to act on that anticipation accordingly. Both predictive AI and programmatic trading may be used in attempt to manage market neutral exposure in positions to capture premium from market-inefficiency trades, though at times the strategy may entail a de minimis directional skew of up to 5% as operational bandwidth. Hedging exposure to market neutral may utilize basis-trade hedging with related derivatives as well as relative-value hedging with similar assets in opposing positions. Within this strategy assets may be deployed in leveraged positions on exchanges, as well as in decentralized finance protocols for activities like market-making, swapping, borrowing, lending, liquidity staking, and other yield generating activities. The individual securities in this strategy may represent an excess of ten percent (10%) of the Fund's AUM as the strategy may rely on inverse derivative exposure to the same underlying security in effort to neutralize exposure risk, among methods of hedging directional risk.

Fund Investments

Investments of the Fund, whether on a long or short basis, on exchanges or over the counter, on margin or otherwise, will generally consist of cryptocurrencies and digital assets as determined by the Manager (bitcoin, "altcoins," stablecoins, smart contracts, other present and future cryptocurrencies, tokens, tethers, other present and future instruments related to cryptocurrencies and blockchain technology generally, derivatives on such instruments, including swaps and futures (together, "***Digital Assets***") and the Fund may engage in lending and borrowing activities unsecured or collateralized by Digital Assets and/or fiat currencies. The Fund may periodically maintain all or a portion of its assets in money market instruments and other United States dollar cash equivalents and may not be fully invested at all times.

The Fund may make investments directly or through equity or debt investments in one or more onshore or offshore domiciled special purpose investment vehicles organized by the Manager to own Fund assets (each an "SPV" and together the "***SPVs***"). Initially, the Fund will lend substantially all its assets to the Market Neutral Segregated Portfolio of Coindex Capital Cayman SPC, a Cayman Islands segregated portfolio company (the "***SPC***"). All of the "***Issuer Ordinary Shares***" of the SPC are fully-paid and are held by Appleby Global Services (Cayman) Limited, as share trustee (together with its successors in such capacity, the "***Share Trustee***"), under the terms of a declaration of trust in favor of charitable purposes (as amended, the "***Declaration of Trust***"). Subject to the terms of the Declaration of Trust, the Share Trustee may only dispose or otherwise deal with the Issuer Ordinary Shares with the approval of the Trustee for so long as there are any Notes Outstanding. The Share Trustee has no beneficial interest in and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Issuer Ordinary Shares.

The Fund's investment plan requires that it invest in certain offshore exchanges. Some of these exchanges do not accept US clientele. Counsel in Cayman has experienced this situation, and has suggested investing through an SPV in the Cayman Islands that is nominally owned by a Cayman trust. The Fund will advance funds to the SPV, whose investment will be guided by the Manager. This structure may require additional reporting by investors to the Internal Revenue Service.

Distributions and Reinvestment

The Fund does not expect to make any dividend payments or other distributions to Members out of the Fund's earnings and profits, but rather expects that such income will be reinvested. Potential investors should keep this limitation in mind when determining whether or not an investment in the Fund is suitable for their particular purposes. The Manager reserves the right to change such policy.

Plan of Distribution and Use of Proceeds; Cash Equivalents

Interests will be offered through private placement to a variety of sophisticated investors. See "*Qualification of Investors*." The net proceeds of the private offering contemplated herein will be invested in accordance with the policies set forth under "*Investment Objective and Strategy*." The Fund, without limitation, may hold cash or invest in cash equivalents for short-term investments. Among the cash equivalents in which the Fund may invest are obligations of the U.S. Government, its agencies or instrumentalities (*i.e.,* U.S. Treasury Bills), commercial paper and

repurchase agreements, money market mutual funds, certificates of deposit and bankers' acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation. In the event the Manager determines that there is not sufficiently good value in any investments suitable for the Fund's capital, all such capital may be held in cash and cash equivalents.

Borrowing and Lending

The Manager may utilize leverage as a part of the Fund's investment program, including, without limitation, borrowing cash and entering into derivative transactions that have the effect of leveraging its portfolio. The use of leverage would have a material impact on the Fund's performance, as well as its risk of loss, as further described under "*RISK FACTORS - Leverage*." The Fund may also participate in Digital Assets lending programs offered by Exchanges to investors seeking to short Digital Assets. Interest will accrue to the Fund until Digital Assets lent are replaced (See *RISK FACTORS - Risks of Lending*").

Possible Master-Feeder Structure in the Future

In the future, the Manager or affiliated entities may sponsor the formation of an offshore company (the "***Offshore Feeder***") which will offer its interests primarily to non-U.S. individuals and U.S. tax-exempt entities. In such event, the Fund, together with the Offshore Feeder (when and if established), will place all or substantially all of its assets in, and conduct its investment activities primarily through, a master fund structured as an offshore company or Membership (the "***Master Fund***") utilizing a "Master-Feeder" structure. When and if such events occur, the Manager or an affiliate will serve as the investment manager to the Offshore Feeder and the Master Fund and will conduct the investment activities of the Master Fund, managing its day-to-day activities. The Fund and the Offshore Feeder would participate on a *pro rata* basis in the profits and losses of the Master Fund, except to the extent that certain expenses of the Fund and Offshore Feeder shall only be borne by the investors in each such entity. The purpose of establishing the Master Fund would be to achieve trading and administrative efficiencies.

Series of Interests

The Master LLC is a "multi-series" limited liability company organized under Section 18-215(b) of the LLC Act. The Master LLC's assets are held in various Funds, and, assuming that the Master LLC has complied with all the requirements of the LLC Act, each Fund is shielded from the liabilities of any other Fund. There can be no assurance, however, that U.S. bankruptcy law would respect the provisions of the LLC Act that provide such liability segregation among the series (see "*Risk Factors*").

Limits of Description of Investment Program

The Manager is not limited by the above discussion of the investment program. Further, the investment program is a strategy as of the date of this Memorandum only. The Manager has wide latitude to invest or trade the Fund's assets, to pursue any particular strategy or tactic, or to change the emphasis without obtaining the approval of the Members, although the Manager will only cause a material change to the Fund's investment strategy with the consent of a majority in interest of Members. Except as specifically provided in this section, the investment program imposes no significant limits on the types of instruments in which the Manager may take positions, the type of positions it may take, its ability to borrow money, or the concentration of investments. The foregoing description is general and is not intended to be exhaustive. Prospective investors must recognize that there are inherent limitations on all descriptions of investment processes due to the complexity, confidentiality, and subjectivity of such processes. In addition, the description of virtually every trading strategy must be qualified by the fact that trading approaches are continually changing, as are the markets invested in by the Manager.

Because risks are inherent in all the investments in which the Fund engages, there can be no assurance that the Fund will achieve its investment objective. Furthermore, an investment in the Fund is highly speculative and an investor could sustain substantial or even a complete loss of their invested capital. An investor should not make an investment in the Fund with the expectation of sheltering income or receiving cash distributions. Investors are urged to consult with their personal advisors before investing in the Fund.

MANAGEMENT OF THE FUND

Coindex Capital Management, LLC, a Delaware limited liability company, serves as the Manager of the Fund. Under the Fund Agreement, the Manager is primarily responsible for the management of the Fund. The office of the Manager is located at 1700 Northside Drive, Suite 7A, Unit 5040, Atlanta, GA 30318 and its telephone number is 803-319-2386.

Ryan DeMattia, Shareef Abdou, and Mustafa Rahman[1] are the principals of the Manager (the "***Principals***"). The Manager is not registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended (the "***Advisers Act***") nor with any state securities regulatory authority as an investment adviser or with the securities division of any state. The Manager has claimed an exemption under U.S. Commodity Futures Trading Commission ("***CFTC***") pursuant to Rule 4.13(a)(3) from registration with the CFTC as a commodity pool operator and, accordingly, is not subject to certain regulatory requirements with respect to the Fund that would otherwise be applicable absent such an exemption. In accordance with such exemption, at all times either (a) the aggregate initial margin and premiums required to establish commodity interest positions will not exceed 5% of the liquidation value of the Funds portfolio; or (b) the aggregate net notional value of commodity interest positions will not exceed 100% of the liquidation value of the Fund's portfolio.

Ryan DeMattia (Founder and Managing Director) is a cryptocurrency early adopter and quantitative analyst, originally published in 2011 on Bitcoin. He has 10+ years trading and modelling emergent and exotic markets, with a quant background concentrated on statistical modelling. Ryan is based in Atlanta and has an MBA from Clemson.

Matt Rahman (Director, Cybersecurity and Operations) is a veteran technologist, cybersecurity and SaaS entrepreneur. He has 20+ years' experience running cybersecurity projects for government and financial clients, scaling VC backed tech companies, and managing M&A and turnaround deals. Matt is based in Atlanta and has an MBA from NYIT.

Shareef Abdou (Director, Strategy and Finance) is a veteran strategy, operations, and proprietary trading expert. He spent 2006-2017 as an SVP in Credit Risk Management at Bank of America and brings key expertise in process improvement, devising operational strategies and risk management. Shareef is based in Los Angeles and has an MBA from UCLA.

[1] Ryan DeMattia, Shareef Abdou, and Mustafa Rahman hold their interests in the Manager through DeMattia Tech LLC, S Alpha Holdings LLC and Black Cube Ventures LLC, respectively.

SUMMARY OF KEY TERMS OF FUND AGREEMENT

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

FUND & MASTER LLC:	The Memorandum relates to the Offering of the Coindex Market Neutral Series (the "***Fund***") non-managing limited liability company membership interests (the "***Interests***") of Coindex Capital, LLC, a "multi-series" Delaware limited liability company (the "***Master LLC***"). The Master LLC was formed under the provisions of Section 18-215(b) of the LLC Act. Section 18-215(b) provides that if the provisions of that Section are complied with, the assets of each series are shielded from the liabilities of any other series. However, there is no guarantee that a bankruptcy court interpreting federal bankruptcy law would respect the provisions of the LLC Act or the formalities of the Master LLC's series structure. Therefore, although the Manager has organized the Master LLC as a "series LLC" at least in part to guard against the risk that the assets of a series would be used to satisfy the liabilities of another series, if such other series were to be unable to satisfy its creditors, any series could, in fact, be called upon to satisfy
MANAGER:	The Manager of the Fund is Coindex Capital Management, LLC, a Delaware limited liability company. Under the Fund Agreement, the Manager is primarily responsible for the management of the Fund. The Manager has claimed an exemption under U.S. Commodity Futures Trading Commission ("***CFTC***") pursuant to Rule 4.13(a)(3) from registration with the CFTC as a commodity pool operator and, accordingly, is not subject to certain regulatory requirements with respect to the Fund that would otherwise be applicable absent such an exemption. In accordance with such exemption, at all times either (a) the aggregate initial margin and premiums required to establish commodity interest positions will not exceed 5% of the liquidation value of the Funds portfolio; or (b) the aggregate net notional value of commodity interest positions will not exceed 100% of the liquidation value of the Fund's portfolio.
ELIGIBLE INVESTORS:	Interests in the Fund are being offered under Rule 506(b) of Regulation D of the Securities Act and Section 3(c)(1) of the Investment Company Act for investment by up to 100 persons who are "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Fund. The Interests will not be registered under the Securities Act or the securities laws of any state or any other jurisdiction, nor is any such registration contemplated. An investment in the Fund will be suitable only for investors who can bear the economic risk of the investment. Investors will be required to make representations to the foregoing effect to the Fund as a condition to acceptance of their subscription. Rule 506(d) of Regulation D of the Securities Act provides for disqualification of a Rule 506 offering if any of the Principals of the Manager or in the event 20 percent or more of the Fund's interests are owned by a Member involved in a 'disqualifying

	event' in connection with the sale of securities, a disciplinary sanction within the securities industry or with the SEC (a "***Bad Actor Event***"). A prospective investor subject to a Bad Actor Event may be denied admittance to the Fund in the Manager's sole discretion. An existing Member must inform the Manager immediately upon being subject to a Bad Actor Event. The Manager may remove such Member at its sole discretion. See *"Qualification of Investors*" below for specific Members eligibility requirements.
THE OFFERING:	There is no minimum aggregate dollar amount of capital contributions the Fund must accept to commence operations. There is no maximum dollar amount of capital contributions the Fund may accept. Capital contributions may be made in cash (by means of a wire transfer or electronic fund transfer) or, in the sole discretion of the Manager, an in-kind contribution, at the time of subscription.
INITIAL CAPITAL CONTRIBUTION:	The minimum initial capital contribution by an investor to the Fund is $1,000,000, subject to the Manager's sole discretion to accept subscriptions for lesser amounts. The Manager may, in its sole discretion, elect to temporarily or permanently suspend the offering of Interests. The Manager may, in its sole discretion, reject any subscription request for any reason or no reason.
CAPITAL ACCOUNT:	The Fund will establish and maintain on its books a capital account ("***Capital Account***") for each Member (each, a "***Member***," and collectively with the Manager, the "***Members***") into which its capital contribution(s) will be credited and in which certain other transactions will be reflected. (See "*Profits and Losses*," below). At the beginning of each accounting period, an allocation percentage (the "***Allocation Percentage***") will be determined for each Member by dividing such Member's Capital Account balance as of the beginning of such period by the aggregate Capital Account balances of all Members as of the beginning of such period.
ADDITIONAL CAPITAL CONTRIBUTIONS:	Existing Members may make additional capital contributions in amounts of not less than $50,000, with the consent of the Manager and subject to its sole and absolute discretion to accept lesser amounts, as of the first calendar day of any calendar month or at any other time the Manager chooses to accept such initial or additional contributions. The Manager may, in its sole discretion, elect to temporarily or permanently suspend the ability of investors to contribute capital to the Fund.
EXCHANGES AND CUSTODY:	The Manager shall maintain custody of some or all of the Fund's Digital Assets, by generating the private keys that control movement of the various Digital Assets. In addition to maintaining custody of the Fund's Digital Assets in a "cold wallet," the Manager may store the Fund's Digital Assets on various Digital Asset exchanges ("***Exchanges***"). Digital Asset exchanges may also require the Manager to provide control of the private keys when the exchange is utilized by the Fund. The foregoing, however, shall not limit the Manager in any way from utilizing Digital Asset custody standards and practices that may exist in the future. The Manager retains the right to use any third party Digital Asset custodian in the future as firms and Digital Asset custody standards begin to develop. The Manager 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 Manager is not liable to the Fund or to Members for the failure or penetration of the security system absent gross negligence, fraud or criminal behavior on the part of the Manager. Maintaining Digital Assets on deposit or with any third party in a custodial relationship has attendant risks. These risks include security breaches, risk of contractual breach, and risk of loss. Members should be aware that the Fund may allow third parties to hold its property and this may result in the occurrence of any of the risks abovementioned.

PERFORMANCE ALLOCATION:	At the end of each accounting period of the Fund, any net capital appreciation or depreciation is allocated to the Capital Accounts of all Members in proportion to their respective Allocation Percentages for such period. For this purpose, each accounting period shall end at the close of each calendar month, at any other time a Member makes an additional capital contribution or effects a withdrawal, and at such other times as the Manager may determine. Net capital appreciation and depreciation are determined on an accrual basis of accounting in accordance with GAAP and are deemed to include net unrealized profits or losses on investments as of the end of each accounting period, as well as Fund expenses. In addition, the Manager shall receive a quarterly performance profit allocation (the "***Performance Allocation***") in an amount equal to twenty percent (20%) of each Member's ratable share of the Fund's profits for such calendar quarter (the "***Performance Allocation Period***") *provided* such Performance Allocation shall be subject to a loss carry-forward provision, also known as a "high water mark," so that the Performance Allocation will only be deducted from a Member's Capital Account to the extent that such Member's *pro rata* share of such appreciation causes its Capital Account balance, measured on a cumulative basis and net of any losses, to exceed such Member's highest historic Capital Account balance as of the end of any prior calendar quarter or, if higher, such Member's Capital Account balance immediately following its admission to the Fund (as adjusted for any withdrawals at a time when a Member's Capital Account balance is below the applicable "high water mark"). Employee Retirement Income Security Act of 1974, as amended ("***ERISA***") and current Internal Revenue Service ("***IRS***") regulations prohibit fee payments to oneself and/or an affiliate from one's individual retirement account or other self-directed retirement account. Accordingly, such an account of an officer of the Manager (or of his spouse) will not be subject to the Management Fee or Performance Allocation.
MANAGEMENT FEE:	In consideration for its services, the Manager receives a management fee (the "***Management Fee***") paid monthly in arrears equal to 0.1667% (2% *per annum*) of the ending Capital Account balance of each Member for such month. The Capital Account of a Member making a withdrawal other than the last day of a month (whether pursuant to ordinary withdrawal rights or where the special consent of the Manager is required) will be charged a *pro rata* portion of the Management Fee immediately prior to such withdrawal based on the number of days elapsed during such month and the portion withdrawn from such Capital Account.
SELLING COMMISSIONS:	The Manager reserves the right to engage broker-dealer(s) or finders introducing Members to the Fund and to pay such persons selling commissions and/or referral fees from (i) a portion of the Manager's Management Fee and/or Performance Allocation or (ii) a deduct such commissions or referral fee from the capital contributions of the Member being introduced to the Fund by such broker dealer or finder.
LIMITATION OF LIABILITY:	The Fund Agreement provides that the Manager and its respective affiliates, shareholders, members, Principals, partners, managers, directors, officers and employees, agents and representatives (collectively, the "***Indemnified Parties***") shall not be liable, responsible nor accountable in damages or otherwise to the Fund or any Member, or to any successor, assignee or transferee of the Fund or of any Member, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on such Indemnified Party by the Fund Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by such Indemnified Party of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Fund; (iii) the negligence, dishonesty, bad faith, or other misconduct of any consultant, employee, or agent of the Fund, including, without limitation, an affiliate of the Manager, selected or engaged by such Indemnified Party with reasonable care and in good faith (nor shall such Indemnified Party be required to investigate, supervise or otherwise monitor the acts or omissions of any such other

	party); or (iv) the negligence, dishonesty, bad faith, or other misconduct of any person in which the Fund invests or with which the Fund participates as a partner, joint venturer, or in another capacity, which was selected by such Indemnified Party with reasonable care and in good faith. According to the LLC Act, each series of the Master LLC is shielded from the liabilities of any other series. There can be no assurance, however, that U.S. bankruptcy law, or any other federal or state court with jurisdiction over the Fund, would respect the provisions of the LLC Act that provide such liability segregation among the series. .
WITHDRAWALS:	A Member will be generally permitted to make withdrawals from its Capital Account as of the last calendar day of any calendar month, or such other date as the Manager may determine in its discretion (each such date, a "***Withdrawal Date***"), provided that the Fund receives at least thirty (30) days written notice (the "***Notice Period***") of such withdrawal prior to the applicable Withdrawal Date. The Manager, in its sole discretion, may reduce or waive the Notice Period. In the event of a partial withdrawal, a Member must withdraw at least $20,000 and shall maintain a minimum Capital Account balance, after giving effect to the withdrawal, of not less than $1,000,000. A Member failing to maintain the minimum Capital Account balance may be required to withdraw the balance of its Capital Account at any time without notice. The Manager, in its sole discretion, may waive these minimum amounts. Payments for withdrawals are generally made within 30 days of the effective Withdrawal Date; *however,* in the event a Member withdraws 90% or more of the funds from such Member's Capital Account (or if a withdrawal, when combined by all other withdrawals effected by such Member during the preceding 12 months, would result in such Member having withdrawn 90% or more of its Capital Account during such period), a portion (generally not to exceed 10%) of the withdrawal payment will be retained in the Manager's discretion pending completion of the annual audit for the fiscal year in which the withdrawal occurs. No interest shall accrue on such retained withdrawal payments. Withdrawals may be effectuated in cash (by means of an electronic fund transfer or wire transfer) or, in the sole discretion of the Manager, a distribution of investments in-kind. Subject to the Manager retaining a portion of the withdrawal payment (as described above), in the event of a full withdrawal request, the following gating provisions (the "***Gate***") will apply to a Member requesting such complete withdrawal from the Fund: (i) on the first applicable Withdrawal Date, thirty-three and one-third of a percent (33 1/3%) of the Capital Account balance of such Member as of such Withdrawal Date will be withdrawn, (ii) on the second applicable Withdrawal Date, fifty percent (50%) of the Capital Account balance of such Member as of such Withdrawal Date will be withdrawn, and (iii) on the third applicable Withdrawal Date, one hundred percent (100%) of the Capital Account balance of such Member as of such Withdrawal Date will be withdrawn. Any unsatisfied portion of any such withdrawal request shall continue to be at risk in the Fund's business until the effective date of the withdrawal. The Manager, in its sole discretion, may waive any of the Gate percentages above. Notwithstanding the above, if at any time while the Member's full withdrawal request is outstanding, such Member gives a thirty (30) days written notice prior to the applicable Withdrawal Date that it wishes to discontinue its withdrawal sequence or that such Member wishes to withdraw less than the maximum Gate percentage of the balance in its Capital Account applicable on such Withdrawal Date, the Gate for the next full withdrawal request from such Member will be reset back down to thirty-three and one-third of a percent (33 1/3%). The Manager may suspend the right of withdrawal or postpone the date of payment for any period during which (i) any exchange or over-the-counter market on which a

	substantial part of the investments owned by the Fund are traded is closed, or trading on any such exchange or market is restricted or suspended, (ii) there exists a state of affairs that constitutes a state of emergency, as a result of which disposal of the investments owned by the Fund is not reasonably practicable or it is not reasonably practicable to determine fairly the value of its assets, (iii) a breakdown occurs in any of the means normally employed in ascertaining the value of a substantial part of the assets of the Fund or when for any other reason the value of such assets cannot reasonably be ascertained, or (iv) a delay is reasonably necessary, as determined in the reasonable discretion of the Manager, in order to effectuate an orderly liquidation of the Fund's investments in a manner that does not have a material adverse impact on the Fund or the non-withdrawing Members. The Manager has reserved the right, in its sole discretion and without notice, to require any Member to withdraw entirely from the Fund, for any reason or no reason. As with all other withdrawals, any such required withdrawals may be effectuated in cash (by means of an electronic fund transfer or wire transfer) or, in the sole discretion of the Manager, a distribution of investments in-kind. The Manager may establish reserves for expenses, liabilities or contingencies (including those not addressed by U.S. generally accepted accounting principles ("***GAAP***") which could reduce the amount of a distribution upon withdrawal (a "***Reserve Withholding***"). Any such Reserve Withholding, if and when released, shall be allocated among the Capital Accounts of Members pro rata who are Members during the period when such Reserve Withholding was in place and distributed pro rata to any Member who withdrew capital at the time such Reserve Withholding was in place. At the discretion of the Manager, any withdrawal by a Member may be subject to a charge, as the Manager may reasonably require, in order to defray the costs and expenses of the Fund in connection with such withdrawal including, without limitation, any charges or fees imposed by any Fund investment in connection with a corresponding withdrawal or redemption by the Fund from such investment or any other costs associated with the sale of any of the Fund's portfolio investments.
EXPENSES:	Organizational Expenses. All expenses of the Offering and organization of the Fund (including legal and other expenses) ("***Organizational Expenses***") will be paid by the Manager. Fund Expenses. The Fund shall pay (or reimburse the Manager) for all reasonable ordinary operating and other expenses, including, but not limited to, investment-related expenses (e.g., exchange and brokerage commissions, exchange deposit and withdrawal fees, clearing and settlement charges, custodial fees, network, cold storage, and third party transfer fees, including fees incurred in connection with institutional Digital Asset custody, settlement and transfer solutions engaged on behalf of the Fund by the Manager, interest expenses, and expenses relating to consultants, brokers or other professionals or advisors who provide research, advice or due diligence services with regard to investments); research costs and expenses (including fees for news, quotation and similar information and pricing services); registered agent fees; legal expenses (including, without limitation, the costs of on-going legal advice and services, blue sky filings and all costs and expenses related to or incurred in connection with the Manager's compliance obligations under applicable federal and/or state securities and investment adviser laws arising out of its relationship to the Fund, as well as extraordinary legal expenses, such as those related to litigation or regulatory investigations or proceedings); the Management Fee; accounting fees and audit expenses; administrative fees; tax preparation expenses and any applicable tax liabilities (including transfer taxes and withholding taxes); errors and omissions and directors and officers insurance for the Principals and employees, officers of the Manager (if obtained), other governmental charges or fees payable by the Fund; costs of printing and mailing reports and notices; and other similar expenses related to the Fund, as the Manager determines in its sole discretion. Manager Expenses. The Manager will pay for the Fund's Organizational Expenses, its

	own administrative and overhead expenses incurred in connection with providing services to the Fund. These expenses include all expenses incurred by the Manager in providing for their normal operating overhead, including, but not limited to, the cost of providing relevant support and administrative services (*e.g.,* employee compensation and benefits, rent, office equipment, insurance, utilities, telephone, secretarial and bookkeeping services, etc.), but not including any Fund operating expenses described above.
LEVERAGE:	The Manager may utilize leverage as a part of the Fund's investment program, including, without limitation, borrowing cash and entering into derivative transactions that have the effect of leveraging its portfolio and may engage in securities lending transactions. The use of leverage may, in certain circumstances, maximize the adverse impact to which the Fund's investment portfolio may be subject. As with any margin borrowing it is possible for the Fund to lose more money than was initially invested – although each Member is only liable for his entire capital contribution. The use of leverage would have a material impact on the Fund's performance, as well as its risk of loss, as further described under "*RISK FACTORS - Leverage*." The Fund may also participate in Digital Assets lending programs offered by Exchanges to investors seeking to short Digital Assets. Interest will accrue to the Fund until Digital Assets lent are replaced (See *RISK FACTORS - Risks of Lending*").
SIDE LETTERS:	The Manager may enter into agreements with certain Members that will result in different terms of an investment in the Fund than the terms applicable to other Members. As a result of such agreements, certain Members may receive additional benefits which other Members will not receive. The Manager will not be required to notify the other Members of any such agreement or any of the rights and/or terms or provisions thereof, nor will the Manager be required to offer such additional and/or different terms or rights to any other Member. The Manager may enter into any such agreement with any Member at any time in its sole discretion.
RISK FACTORS:	In general, investment in the Interests involves various and substantial risks, including (but not limited to) the risk related to the unique nature of Digital Assets including the Fund's vulnerability to hacks and theft, risks related to the unregulated nature of Digital Assets, risks related to the limited transferability of a Member's interest in the Fund, the lack of operating history of the Fund, the Fund's dependence upon the Manager, certain tax risks, and a variety of other risks outlined below and risks related to certain potential conflicts of interests with Affiliates of the Manager including transactions between the Fund and Affiliates. (See "*Risk Factors*." and "*Potential Conflicts of Interests*")
NET ASSET VALUE:	The Net Asset Value of the Fund ("***Net Asset Value***") will be determined as is required by the Fund Agreement or as may be determined by the Manager, but in any case no less than monthly. Each Member's share of the Net Asset Value is determined by multiplying the total value of the Fund's investments and other assets less any liabilities, by the Member's Allocation Percentage. (See "*Valuation of Investments*.")
RESTRICTIONS ON TRANSFER:	A Member may not pledge, assign, sell, exchange or transfer its Interest (or any portion thereof), and no assignee, purchaser or transferee may be admitted as a substitute Member, except with the consent of the Manager, which consent may be given or withheld in its sole and absolute discretion.
FISCAL YEAR:	The Fund's fiscal year shall end on December 31.
REPORTS:	The Fund's books of account will be audited at the end of each fiscal year by a firm of certified public accountants selected by the Manager. Books of account will generally be kept by the Fund, in accordance with GAAP. The Manager will furnish audited financial statements to all Members within one hundred twenty (120) days, or as soon thereafter as is reasonably practicable, following the conclusion of each fiscal year. In addition, all Members will receive the information necessary to prepare federal and

	state income tax returns following the conclusion of such fiscal year as soon thereafter as is reasonably practical. Each Member will also receive unaudited reports of Fund activity on a monthly basis (including all gains and losses in each Member's Capital Account and the Net Asset Value of such Capital Account) and such other information as the Manager determines. The Manager will not be required to provide information with regard to specific investment transactions of the Fund.
TERM:	The Fund shall continue until the earlier of (i) the termination, bankruptcy, insolvency or dissolution of the Manager, (ii) the complete withdrawal of the Manager from the Fund, unless a successor manager is appointed, (iii) entry of a decree of judicial dissolution or (iv) a determination by the Manager that the Fund should be dissolved.
AMENDMENT OF THE FUND AGREEMENT:	The Fund Agreement provides that the Manager has the right to amend the Fund Agreement to, among other things, correct any ambiguous, false, or erroneous provision, or to otherwise amend the Fund Agreement; provided, that no such amendment shall adversely affect the rights, privileges, and powers of the Members as a group, unless agreed to by the holders of a majority of Allocation Percentages held by Members. Notwithstanding the foregoing, the Manager may amend the Fund Agreement to conform to applicable laws and regulations without the approval of the Members. The Manager shall provide Members with at least 15 days' notice of any amendment to the Fund Agreement to comply with applicable laws. The Manager is authorized on its own motion to institute proceedings for adoption of a proposed amendment to the Fund Agreement. Investors should note that Members have no voting rights except in very limited and specific situations.
LEGAL COUNSEL:	Riveles Wahab, LLP acts as legal counsel to the Manager and the Fund in connection with the organization of the Fund, the offering of Interests and other ongoing matters, and does not represent Members in any capacity.
AUDITOR:	The Fund's independent certified public accountant is Cohan & Company. The Manager reserves the right to use other and/or additional firms for the Fund's audit services.
ADMINISTRATOR:	The Fund's administrative services will be provided by NAV Consulting, Inc. The Manager reserves the right to use other and/or additional firms for the Fund's administration services.
SUBSCRIPTION PROCEDURE:	Persons interested in subscribing for Interests will be furnished, and will be required to complete and return to the Manager and Administrator, subscription documents.

RISK FACTORS

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

Risks Relating to Digital Assets

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

Development and Acceptance of the Digital Asset Networks. The growth and use of virtual currencies generally is subject to a high degree of uncertainty. Indeed, the future of the industry likely depends on several factors, including, but not limited to: (a) economic and regulatory conditions relating to both fiat currencies and virtual currencies; (b) government regulation of the use of and access to virtual currencies; (c) government regulation of virtual currency service providers, administrators or exchanges; and (d) the domestic and global market demand for—and availability of—other forms of virtual currency or payment methods. Any slowing or stopping of the development or acceptance of Digital Assets or a Digital Asset network may adversely affect an investment in the Fund.

Derivative Investments. Derivatives are financial contracts whose value depends on, or is derived from, an underlying Digital Asset. The risks generally associated with derivatives include the risks that: (1) the value of the derivative will change in a manner detrimental to the Fund; (2) before purchasing the derivative, a Fund will not have the opportunity to observe its performance under all market conditions; (3) another party to the derivative may fail to comply with the terms of the derivative contract; (4) the derivative may be difficult to purchase or sell; and (5) the derivative may involve indebtedness or economic leverage, such that adverse changes in the value of the underlying asset could result in a loss substantially greater than the amount invested in the derivative itself or in heightened price sensitivity to market fluctuations.

Derivatives markets can be highly volatile. The profitability of investments by a Fund in the derivatives markets depends on the ability of the Manager to analyze correctly these markets, which are influenced by, among other things, changing supply and demand relationships, governmental, commercial and trade programs and policies designed to influence world political and economic events, and changes in interest rates. In addition, the assets of the relevant Fund may be pledged as collateral in derivatives transactions. Thus, if a Fund defaults on such an obligation, the counterparty to such transaction may be entitled to some or all of the assets of such Fund as a result of the default.

Price Volatility. A principal risk in trading Digital Assets is the rapid fluctuation of their market price. High price volatility undermines Digital Assets' role as a medium of exchange as retailers are much less likely to accept them as a form of payment. The value of a Member's Capital Account balance relates directly to the value of the Digital Assets held in the Fund and fluctuations in the price of Digital Assets could adversely affect the net asset value of the Fund and a Member's Capital Account. There is no guarantee that the Fund will be able to achieve a better than average market price for Digital Assets or will purchase Digital Assets at the most favorable price available. The price of Digital Assets

achieved by the Fund may be affected generally by a wide variety of complex and difficult to predict factors such as Digital Asset supply and demand; rewards and transaction fees for the recording of transactions on the block chain; availability and access to virtual currency service providers (such as payment processors), exchanges, miners or other Digital Asset users and market participants; perceived or actual Digital Asset network or Digital Asset security vulnerability; inflation levels; fiscal policy; interest rates; speculative interest; regulatory regimes; staked/secured underlying assets and audits of their balances; and political, natural and economic events.

To the extent the public demand for Digital Assets were to decrease, or the Fund was unable to find a willing buyer, the price of Digital Assets could fluctuate rapidly and the Fund may be unable to sell the Digital Assets in its possession or custody. Members will be subject to the risk of price fluctuations of Digital Assets until they are fully withdrawn from the Fund. Further, if the supply of Digital Assets available to the public were to increase or decrease suddenly due to, for example, a change in a Digital Asset's source code, the dissolution of a virtual currency exchange, or seizure of Digital Assets by government authorities, the price of Digital Assets could fluctuate rapidly. Such changes in demand and supply of Digital Assets could adversely affect an investment in the Fund. In addition, governments may intervene, directly and by regulation, in the Digital Asset market, with the specific effect, or intention, of influencing Digital Asset prices and valuation (*e.g.,* releasing previously seized Digital Assets). Similarly, any government action or regulation may indirectly affect the Digital Asset market or Digital Asset network, influencing Digital Asset use or prices.

Loss or Destruction of Digital Assets. Certain Digital Assets are intended to be controllable only by the possessor of both the unique public and private keys relating to the local or online digital wallet in which such Digital Assets are held. To the extent private keys relating to the Fund's Digital Asset holdings are lost, destroyed or otherwise compromised, the Fund may be unable to access the related Digital Assets and such private keys are not capable of being restored by a Digital Asset network. Any loss of private keys relating to digital wallets used to store the Fund's Digital Assets could adversely affect an investment in the Fund. Further, Digital Assets are typically transferred digitally, through electronic media not controlled or regulated by any entity. To the extent a Digital Asset transfers erroneously to the wrong destination, the Fund may be unable to recover the Digital Asset or its value. Such loss could adversely affect an investment in the Fund.

Irrevocable Digital Asset Transactions. Just as the blockchain (or similar technologies) creates a permanent, public record of Digital Asset transactions, it also creates an irrevocable one. Transactions that have been verified, and thus recorded as a block on the blockchain (or similar technologies), generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Digital Assets, the transaction is not reversible. Further, at this time, there is no U.S. or foreign governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen Digital Assets. Consequently, the Fund may be unable to replace missing Digital Assets or seek reimbursement for any erroneous transfer or theft of Digital Assets. To the extent that the Fund is unable to seek redress for such action, error or theft, such loss could adversely affect an investment in the Fund.

Third Party Wallet Providers. The Fund intends to use third party wallet providers to hold the Fund's Digital Assets. The Fund may have a high concentration of its Digital Assets in one location or with one third party wallet provider, which may be prone to losses arising out of hacking, loss of passwords, compromised access credentials, malware, or cyber-attacks. The Fund is not required to maintain a minimum number of wallet providers to hold the Fund's Digital Assets. Certain 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.

Security. In the course of transferring Digital Assets into or out of the Fund's platform, the Fund will interface with third parties whose methods, practices and standards will be outside of the Fund's control and who could be under the influence of bad actors. Events may occur where the Fund's platform is penetrated by bad actors, which could compromise the Fund's operation or result in loss of Digital Assets, adversely affecting an investment in the Fund.

There exists the possibility that while acquiring or disposing of Digital Assets, the Fund unknowingly engages in transactions with bad actors who are under the scrutiny of government investigative agencies. As such, the Fund's systems or a portion thereof may be taken off-line pursuant to legal process such as the service of a search and/or seizure warrant. Such action could result in the loss of Digital Assets previously under the Fund's control.

The development team and administrators of a Digital Asset network's source code could propose amendments to the network's protocols and software that, if accepted and authorized, or not accepted, by the Digital Asset network

community, could adversely affect the supply, security, value, or market share of the Digital Assets, and thus an investment in the Fund. Further the Fund may be adversely affected by a manipulation of a Digital Asset source code.

Hedging Transactions Risk. The Fund may employ various hedging techniques. The success of a hedging strategy will be subject to the Manager's ability to assess correctly the degree of correlation between the performance of the instruments or contracts used in the hedging strategy and the performance of the investments or contracts in the portfolio being hedged. Since the characteristics of many financial instruments change as markets change or time passes, the success of a hedging strategy will also be subject to the Manager's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the values of those portfolio positions or prevent losses if the values of those positions decline. Rather, it establishes other positions designed to gain from those same declines, thus seeking to moderate the decline in the portfolio position's value. Such hedging transactions also limit the opportunity for gain if the value of the portfolio position should increase. For a variety of reasons, the Manager may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss. In addition, it is not possible to hedge fully or perfectly against any risk, and hedging entails its own costs. The Manager may determine, in its sole discretion, not to hedge against certain risks and certain risks may exist that cannot be hedged. Furthermore, the Manager may not anticipate a particular risk so as to hedge against it effectively. Hedging transactions also limit the opportunity for gain if the value of a hedged portfolio position should increase.

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

Hackers. Hackers or malicious actors may launch attacks to steal, compromise, or secure Digital Assets, such as by attacking Digital Asset network source code, exchange servers, third-party platforms, cold and hot storage locations or software, the Fund's platform, or Digital Asset transaction history, or by other means. For example, in February 2014, Mt. Gox suspended withdrawals because it discovered hackers were able to obtain control over the exchange's bitcoins by changing the unique identification number of a Bitcoin transaction before it was confirmed by the Bitcoin network. Further, Flexcoin, a so-called Bitcoin bank, was hacked in March 2014 when attackers exploited a flaw in the code governing transfers between users by flooding the system with requests before the account balances could update—resulting in the theft of 896 Bitcoin. As the Fund increases in size, it may become a more appealing target of hackers, malware, cyber-attacks or other security threats. As a result, the Fund will undertake efforts to secure and safeguard the Digital Assets in its custody from theft, loss, damage, destruction, malware, hackers or cyber-attacks, which may add significant expenses to the operation of the Fund. There can be no assurance that such security measures will be effective. At this time, there is no U.S. or foreign governmental, regulatory, investigative, or prosecutorial authority or mechanism through which to bring an action or complaint regarding missing or stolen Digital Assets. Consequently, the Fund may be unable to replace missing Digital Assets or seek reimbursement for any theft of Digital Assets, adversely affecting an investment in the Fund.

Lack of Transparency. Given the type and extent of the security measures necessary to adequately secure Digital Assets, investors will not fully know how the Fund stores or secures its Digital Assets or the Fund's complete holding of Digital Assets at any time.

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

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

Irrevocable Cryptocurrency Transactions. Just as the blockchain (or similar technologies) creates a permanent, public record of Digital Asset transactions, it also creates an irrevocable one. Transactions that have been verified,

and thus recorded as a block on the blockchain (or similar technologies), generally cannot be undone. Even if the transaction turns out to have been in error, or due to theft of a user's Digital Assets, the transaction is not reversible. The Fund may be unable to replace missing Digital Assets or seek reimbursement for any erroneous transfer or theft of Digital Assets. To the extent that the Fund is unable to seek redress for such action, error or theft, such loss could adversely affect an investment in the Fund.

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

Forks and Airdrops. From time to time (i) the blockchain code for a digital currency or digital asset may be split, resulting in two different digital currencies or digital assets: one that is unaltered and a second, new digital currency or digital asset whose code is based on, but differs from, the original digital currency's or digital asset's code, (such process, a "*Hard Fork*"); and/or (ii) new digital currencies or digital assets may be distributed automatically to, and without any action on the part of, holders of certain existing digital currencies or digital assets (an "*Airdrop*"). To the extent a digital currency or digital asset held by the Fund undergoes a Hard Fork, or the Fund receives an Airdrop, the Investment Manager has sole discretion whether or not to claim the digital currencies and/or digital assets resulting from the Hard Fork or the Airdrop (the "*New Digital Asset*") on behalf of the Fund.

Any New Digital Asset is provided involuntarily and without consideration. A Hard Fork or Airdrop may affect the value of the original digital currency or digital asset held by the Fund (the "***Original Digital Asset***"). If the relevant exchange, custodian, wallet or other storage solution where the Fund holds the Original Digital Asset (collectively, the "***Storage Solution***") accommodates the New Digital Asset, the Manager, in its sole discretion, may elect to claim the New Digital Asset. That said, various Storage Solutions may (i) not accommodate the New Digital Asset; (ii) may only accommodate the New Digital Asset after a significant period; or (iii) may have a contractual right to claim the New Digital Asset for their own account. Additionally, the Manager may not have any systems in place to monitor or participate in Hard Forks or Airdrops or may for security or other reasons determine that the Fund will not participate in or otherwise invest in the New Digital Asset. As a result of the foregoing, the Fund may not receive any New Digital Assets, thus losing any potential value from such New Digital Assets.

Regulatory Status of Cryptocurrencies and other Digital Assets

The Fund invests primarily in digital currencies which are not currently regulated by U.S. federal and state governments, or self-regulatory organizations. As digital currencies have grown in popularity, certain U.S. regulatory agencies, such as the Financial Crimes Enforcement Network ("***FinCEN***") and the CFTC, have begun to examine digital currencies and the operations of their networks. Currently, neither the CFTC nor the SEC has formally asserted regulatory authority over digital currencies, although the CFTC has stated that it considers cryptocurrencies to be commodities and the SEC has stated that certain Digital Assets are securities. On July 25, 2017, the SEC issued a reporting finding that a 2016 token offering (an initial coin offering or "ICO" capital raise) involved the offering of a "security" under U.S. federal law which should have been registered (the "SEC Release"). The agency stated that similar token offerings fall within the jurisdiction of federal securities laws, while declining to state categorically that all such ICOs are securities offerings. Furthermore, the SEC indicated it intends to treat assets valued in virtual currencies, such as tokens, which otherwise possess the characteristics of a security, in the same way as conventional securities valued in U.S. Dollars or other fiat currency.

To the extent that digital currencies are ultimately determined to be a security, commodity future or other regulated asset, or to the extent that a U.S. or foreign government or quasi-governmental agency exerts regulatory authority over the digital currencies, the Fund may be adversely affected.

Digital currencies currently face an uncertain regulatory landscape in not only the United States but also in many foreign jurisdictions. While many jurisdictions have either taken no formal position with respect to cryptocurrencies or

have stated that cryptocurrencies are legal tender in their jurisdiction, others have banned the use of cryptocurrencies in their jurisdictions. In addition, very few jurisdictions have enacted cryptocurrency-specific regulations that govern the creation, transmittal or use of cryptocurrencies. One or more jurisdictions may, in the future, adopt laws, regulations or directives that affect digital currency networks and their users, particularly digital currency exchanges and service providers that fall within such jurisdictions' regulatory scope. Such laws, regulations or directives may conflict with those of the United States and may negatively impact the acceptance of digital currencies by users, merchants and service providers outside of the United States and may therefore impede the growth of the digital currency economy. The effect of any future regulatory change on the Fund is impossible to predict, but such change could be substantial and adverse.

Further, the cryptocurrency "Tether" is currently under investigation by the Commodity Futures Trading Commission, U.S. Department of Justice, and the Attorney General of the State of New York for issuing billions of dollars' worth of new USDT coins that may not have been fully backed by the U.S. Dollar as claimed. If Tether were to be shut down or suffer other major regulatory punishment, it could crash the value of all cryptocurrencies, including Bitcoin, given how interconnected the liquidity is across cryptocurrency markets.

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

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

Increased Regulatory Oversight of Manager. Increased regulatory oversight of private investment funds and their managers may impose administrative burdens on the Manager, including, without limitation, responding to examinations and other regulatory inquiries and implementing policies and procedures. Recently, regulators in the United States and other countries have shown particular interest in funds engaging in systematic, quantitative and so-called "high-frequency" trading, which could increase the risk of administrative burdens being placed on the Manager. Such actions may divert the Manager's time, attention and resources from investment activities to responding to inquiries, examinations and enforcement actions.

Investment and Strategy Risks

Risk of Loss. No guarantee or representation is made that the Fund will achieve its investment objectives. Investments in venture companies should be considered substantially more speculative and significantly more likely to result in a total loss of capital than most other investment funds. Consequently, an investment in the Fund could result in the total loss of a Member's capital. Even if one or more of the Fund's investments is successful, there can be no assurance that the Members will receive distributions from the Fund in an amount equal to their investment in the Fund. An investor may lose their entire investment.

Programmatic Trading**.** The Manager reserves the right to determine and confirm Quote prices, bids, asks, volume, PnL, margin, and balances via API, place edit and cancel orders programmatically, in bulk and individually. To move capital from positions, wallets and exchanges programmatically. To make orders of various types including but not limited to limit orders, at-market orders, stop-triggered market and limit orders, fill-or-kill orders, post only orders, block orders. Execute materially significant trades and actions without human involvement or human review. Execute swaps, staking, OTC trades, vault locking and unlocking, programmatically. Execute the described actions above and throughout the PPM immediately upon the satisfaction of non-static triggers which are managed and articulated programmatically. Send API keys, wallet addresses, ID tokens over the internet to execute programmatic trades and action.

AI Driven Trading**.** This is largely a programmatic strategy; the Manager reserves the right to implement its proprietary AI technology to improve the performance of programmatic trading as they see fit. The decision-making engine underlying the Coindex AI is by design a mutating black box which cannot be described or understood in a deterministic fashion. This means that any individual decision or set of decisions cannot be examined or dissected against an anticipated deterministic outcome, or reconciled for their precision to design. This constantly evolving approach uses oblique strategies to adapt to markets as they change, meaning there is no historic record of the determining factors behind any given decision by the AI. There is no way to assess the fitness of the AI apart from performance of its trades in back testing and live testing. The AI uses a purely technical analysis based on leading and trailing statistical data. The signals generated by this analysis may directly contradict fundamental analysis of the underlying assets, and result in trades or actions that directly contradict fundamental or intuitive analysis. The Manager reserves the right to override any decisions or actions by the AI but intends to allow the AI to operate without human intervention regardless of performance.

The research and modeling process underlying Coindex AI is extremely complex and involves financial, economic, econometric and statistical theories, research and modeling; the results of which must then be translated into computer code. The Fund is unlikely to be successful unless the assumptions underlying the models are realistic and either remain realistic and relevant in the future or are adjusted to account for changes in the overall market environment. If such assumptions are inaccurate or the implementation of the models are erroneous, it is likely that profitable trading signals will not be generated. The Manager will continue to test, evaluate and add new models, as a result of which the existing models may be modified from time to time. There can be no assurance that current and future models will continue to be viable, and their use could have a material adverse effect on the performance of the Fund. In addition, given that the systems can execute trades autonomously, undesired results may only be detected after a significant number of transactions have occurred. Furthermore, effective risk management depends upon many factors, not all of which may be properly identified, and effective assessment, analysis, process creation, control or treatment of risks could be difficult to implement.

Reliance on Software and Trading Algorithms. Due to the algorithmic nature of the strategy, the Fund is therefore at risk of errors of implementation and errors of design that may exist or arise in the software or models, and which may cause aberrant behavior under certain or all market conditions. While reasonable steps have been taken to ensure that the software is adequate in design and free from bugs, formal proof of bug-free code has not been undertaken, nor can the underlying logical and/or mathematical models be certified as free from error; As with any software, upgrades, bug fixes and various other improvements may be introduced over time, and a risk exists that such changes may detrimentally affect the performance of the Fund. A significant part of the fund investment strategies involve interaction between the proprietary software and third-party code (some of which may be open-source and without any warranties), and it is possible that errors will arise from such interactions.

On Chain Activities**.** Coindex AI will invest in a variety of decentralized financial products that are delivered and settled via blockchain technology, with no central third party to authorize, reconcile or provide recourse on any transaction or account. These products include but may not be limited to decentralized swaps, block trades, loans, debt instruments, lending instruments, staking and yield positions, automated market makers, interest notes, money market protocols, illiquid note tokens, DEXs, synthetic assets, financing protocols, wrapped tokens and assets, vaulted assets, smart contracts, overcollateralized or undercollateralized instruments, liquidity pools, and margin lending. Each of these products carries its own individual network risks associated with blockchain technology and potential for catastrophic failure with no central third party for recourse. Any individual pool, network, or system described could fail resulting in a catastrophic losses of any assets associated with that network.

Risks Related to Digital Asset Exchanges. The 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. Digital Asset exchanges may be start-up businesses with no institutional backing, limited operating history and no publically available financial information. Exchanges generally require fiat currency funds 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, fiat currency 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, bitcoin 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 bitcoin remains 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 (e.g., Mt. Gox voluntarily shutting down because it was unable to account for over 850,000 bitcoin), government or regulatory involvement, failure or security breaches (e.g., the voluntary temporary suspensions by Mt. Gox of cash withdrawals due to distributed denial of service attacks by malware and/or hackers), or banking issues (e.g., the loss of Tradehill's banking privileges at Internet Archive Federal Credit Union).

Exchanges may even shut down or go offline voluntarily, without any recourse to investors. For example, on February 25, 2014, the Bitcoin website for one of the largest Bitcoin exchanges, Mt. Gox, was taken offline suddenly, without any notice or warning to investors or the public. It was reported that Mt. Gox voluntarily shut down because it was unable to account for over 850,000 bitcoin (valued at approximately 450 million dollars at the time). According to news reports, hackers siphoned bitcoin from Mt. Gox by changing the unique identification number of a bitcoin transaction before it was confirmed on the Bitcoin network. Although 200,000 bitcoin have since been recovered, the reasons for their disappearance remain unclear. Mt. Gox ultimately filed for bankruptcy in Japan, and bankruptcy protection in Japan and the United States. As a result, the price of bitcoin decreased drastically, adversely affecting all bitcoin holders. In many of these instances, the customers of such exchanges have not been compensated or made whole for the partial or complete loss of their account balances. An exchange may be unable to replace missing Digital Assets or seek reimbursement for any theft of Digital Assets, adversely affecting investors and an investment in the Fund.

Any financial, security or operational difficulties experienced by such exchanges may result in an inability of the Fund to recover fiat currency 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 investors.

Trading on Exchanges Outside the United States. The Fund may trade contracts on non-U.S. exchanges. Non-U.S. trading involves risks -- including exchange-rate exposure, excessive taxation, possible governmental regulation and lack of regulation -- which U.S. trading does not. In addition, some non-U.S. markets, in contrast to U.S. exchanges, are “principals’ markets” where performance is the responsibility only of the individual member with whom the trader has entered into a contract and not of any exchange or clearing corporation. In addition, the Fund’s rights and responsibilities if a non-U.S. exchange or clearing house defaults or declares bankruptcy are likely to be more limited than if a U.S. exchange does the same. Consequently, daily price movements for these instruments may be unlimited, and there can be no guarantee that markets will exist for liquidation of such instruments following investment. There is a possibility that the exchanges will not accept investments from the SPV, which might adversely affect the Fund’s ability to trade as intended.

Reporting on Investment Outside the United States. The Fund’s trading on exchanges outside of the United States may require that it report certain information to the government where the exchanges are based and the U.S. government (including the IRS and FinCEN). Ultimately, some information may be required to be provided regarding the investors in the Fund.

Risks Investing Outside the United States. There are inherent risks in dealing with exchanges, companies/trusts outside of the U.S., including different legal systems and law, different ethical standards, less rights for investors than are accorded in the U.S., regulatory systems that are not as stringent or diligent as in the US, and inability to enforce rights in a US forum, political or economic instability – all of which could adversely impact the Fund’s investments outside of the U.S.

Systemic Risk**.** Systemic risk is the risk of broad financial system stress or collapse triggered by the default of one or more financial institutions, which results in a series of defaults by other interdependent financial institutions. Financial intermediaries, such as clearing houses, banks, securities firms and exchanges with which the Fund interacts, as well as the Fund, are all subject to systemic risk. A systemic failure could have material adverse consequences on the Fund and on the portfolio companies in which the Fund seeks to invest. The Fund's investment program, which

focuses on companies focused on blockchain technology and can include exposure to digital currencies, may involve new types of financial intermediaries the systemic risk of which may be uncorrelated to broader markets.

Leverage. In order to raise additional cash for investment, the Fund may borrow money from Exchanges, banks and other sources and will pay interest thereon (together the "***Lender***"). Any investment gains made with the additional monies in excess of interest paid will cause the Net Asset Value of the Fund to rise faster than would otherwise be the case. On the other hand, if the investment performance of the additional investments purchased fails to cover their cost (including any interest paid on the money borrowed) to the Fund, the Net Asset Value of the Fund will decrease faster than would otherwise be the case. This is the speculative factor known as "leverage." The amount of money the Fund may borrow is determined by risk-based parameters set by the Lender. In the event of adverse market movements or other factors, the Fund may have to meet calls for substantial additional margin which may limit the Fund's assets available for other investments at an inopportune time.

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

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

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

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

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

OTC Transactions. It is possible that the Fund may engage in transactions involving instruments 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. 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.

In-Kind Distributions. A withdrawing Member may, in the sole discretion of the Manager, receive Digital Assets owned by the Fund in lieu of, or in combination with, cash. The value of Digital Assets distributed may increase or

decrease before such financial instruments can be sold and the Member will incur transaction costs in connection with the sale of such instruments. Additionally, Digital Assets distributed with respect to a withdrawal by a Member may not be readily marketable. The risk of loss and delay in liquidating such Digital Assets will be borne by the Member, with the result that such Member may receive less cash than it would have received on the date of withdrawal.

Management Risks

No Operating History. The Fund is a recently formed entity and has no operating history and the Principals have no prior experience managing a private pooled investment vehicle such as the Fund. As such, prospective investors have no prior history, whether of the Fund or the Principals, upon which to evaluate the Fund's likely performance.

Dependence on Key Personnel. The Manager is dependent on the services of the Principals and there can be no assurance that it will be able to retain the Principals, whose credentials are described under the heading "*Management of the Fund*." The departure or incapacity of one or more of the Principals would have a material adverse effect on the on the investment operations of the Fund. The Principals and Manager have developed and will utilize certain intellectual property in connection with the Fund's investment activities. In the event the Principals die, depart or otherwise separate from the Manager, or in the event the Manager withdraws or otherwise separates from the Fund, the Fund may not be able to utilize such intellectual property, nor be able to find equivalent tools in furtherance of its investment activities, which may have a material adverse effect upon the Fund.

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

Changes in Investment Strategies. The Fund's investment strategies may be altered from time to time with the approval of a majority-in-interest of Members. In such event, a Member who does not consent to such change may nevertheless be out-voted by other Members in which case the opposing Member may only withdraw from the Fund pursuant to the terms of the Fund Agreement and subject to the limitations described therein.

Proprietary Nature of Investment Strategy. All documents and other information concerning the Fund's portfolio of investments will be made available to the Fund's auditors, accountants, attorneys and other agents in connection with the duties and services performed by them on behalf of the Fund. However, because the Manager's investment techniques may be proprietary, the Fund Agreement will provide that neither the Fund nor any of its auditors, accountants, attorneys or other agents will disclose to any person, including investors in the Fund, any of the investment techniques employed by the Manager in managing the Fund's investments or the identity of specific investments held by the Fund at any particular time.

Limitations on Liability and Indemnification. The Fund Agreement provides that the Manager and any of its respective affiliates, shareholders, members, partners, managers, directors, officers and employees, agents and representatives and the legal representatives of any of them (each, an "***Indemnified Party***"), shall not be liable, responsible nor accountable in damages or otherwise to the Fund or any Member, or to any successor, assignee or transferee of the Fund or of any Member, for (i) any acts performed or the omission to perform any acts, within the scope of the authority conferred on such Indemnified Party by the Fund Agreement, except by reason of acts or omissions found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence; (ii) performance by such Indemnified Party of, or the omission to perform, any acts on advice of legal counsel, accountants, or other professional advisors to the Fund; (iii) the negligence, dishonesty, bad faith, or other misconduct of any consultant, employee, or agent of the Fund, including, without limitation, an affiliate of the Manager selected or engaged by such Indemnified Party with reasonable care and in good faith; or (iv) the negligence, dishonesty, bad faith, or other misconduct of any Person in which the Fund invests or with which the Fund participates as a partner, joint venturer, or in another capacity, which was selected by such Indemnified Party with reasonable care and in good faith. No Indemnified Party shall be liable to the Fund or to any Member, or any successors, assignees, or transferees of the Fund or any Member, for any loss, damage, expense, or other liability due to any cause beyond its reasonable control, including, but not limited to, strikes, labor troubles, riots, fires, blowouts, tornadoes, floods, bank moratoria, trading suspensions on any exchange, acts of a public enemy, insurrections, acts of God, acts of terrorism, failures to carry out the provisions hereof due to prohibitions imposed by law, rules, or regulations promulgated by any governmental agency, or any demand or requisition by any government authority.

Furthermore, to the fullest extent permitted by law, the Fund, in the Manager's sole discretion, shall indemnify and hold harmless each Indemnified Party from and against any loss, liability, damage, cost or expense suffered or sustained by an Indemnified Party by reason of (i) any acts, omissions or alleged acts or omissions arising out of or in connection with the Fund, the Fund Agreement or any investment made or held by the Fund (including, without limitation, any judgment, award, settlement, reasonable attorneys' fees and other costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding, or claim), provided that such acts, omissions or alleged acts or omission upon which such actual or threatened action, proceeding or claim are based are not found by a court of competent jurisdiction upon entry of a final non-appealable judgment to have been made in bad faith or to constitute fraud, willful misconduct or gross negligence by such Indemnified Party, or (ii) any acts or omissions, or alleged acts or omissions, of any broker or agent of any Indemnified Party, provided that such broker or agent was selected, engaged or retained by the Indemnified Party in accordance with reasonable care.

Limited Reporting. The Fund will provide monthly unaudited reports of Fund activity. As a result, Members will not be able to evaluate the Fund's activity at shorter intervals. Additionally, as a result of side letter arrangements, questions, due diligence requests, meetings or other communications, certain Members may receive information that is not generally available or otherwise provided to other Members, which may affect such Members' decision to request a withdrawal of their respective Capital Accounts or take other actions on the basis of such information.

Cyber Security Breaches and Identity Theft. The technology systems used by the Manager may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by its professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although the Manager has implemented certain measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Manager and/or the Fund may have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of the Fund and/or the Manager and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including private keys, and personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the Manager's and/or the Fund's reputation, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Other Risks

Series Structure. The Master LLC was formed under the provisions of Section 18-215(b) of the LLC Act. Section 18-215(b) provides that if the provisions of that Section are complied with, the assets of each series are shielded from the liabilities of any other series. However, there is no guarantee that a bankruptcy court interpreting federal bankruptcy law would respect the provisions of the LLC Act or the formalities of the Master LLC's series structure. Therefore, although the Manager has organized the Master LLC as a "series LLC" at least in part to guard against the risk that the assets of a series would be used to satisfy the liabilities of another series, if such other series were to be unable to satisfy its creditors, any series could, in fact, be called upon to satisfy those liabilities. Because certain of the series may be leveraged there is a real risk of cross-liability among series.

No Operating History. The Fund is a recently formed entity and has no operating history upon which prospective investors can evaluate its likely performance. There can be no assurance that the Fund will achieve its investment objective.

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

Force Majeure**.** The Fund's investments may be affected by force majeure events (*i.e.*, events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including the Fund or a counterparty to the Fund) to perform its obligations until it is able to remedy the force majeure event and/or prompt precautionary government-imposed closures of certain travel and business. In addition, forced events, such as the cessation of the operation of machinery for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, adversely impact the Fund's returns, cause personal injury or loss of life, disrupt global markets, damage property, or instigate disruptions of service. In addition, the cost to the Fund of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force

majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on the Fund's expected returns. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Fund may invest and the markets the Fund may trade specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over industry assets, could result in losses to the Fund, including if its investments are canceled, unwound or acquired (which could be without adequate compensation). Any of the foregoing may therefore adversely affect the performance of the Fund and its investments.

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 Federal Deposit Insurance Corporation ("***FDIC***") or Securities Investor Protection Corporation ("***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. The undivided interests in the Fund's Digital Assets represented by the membership interests are not insured directly by the Fund or the Manager.

Banks May Refuse to Provide Continued Banking Services to the Fund. While the Fund has established a relationship with a bank to open an account, a number of funds and other companies that hold or otherwise deal in cryptocurrency have been unable to find banks that are willing to provide them with bank accounts and banking services. Similarly, a number of such entities have had their existing bank accounts closed by their banks. Banks may refuse to provide bank accounts and other banking services to cryptocurrency related companies or companies that accept cryptocurrencies for a number of reasons, such as perceived compliance risks or costs. The difficulty that many businesses that provide cryptocurrency related services have and may continue to have in finding banks willing to provide them with bank accounts and other banking services may be currently decreasing the usefulness of cryptocurrencies as a payment system and harming public perception of cryptocurrencies or could decrease its usefulness and harm its public perception in the future. Similarly, the usefulness of cryptocurrencies as a payment system and the public perception of cryptocurrencies could be damaged if banks were to close the accounts of many or of a few key businesses providing cryptocurrency related services. This could decrease the price of Digital Assets and therefore adversely affect an investment in the Fund. Further, there is no guarantee that the Fund's bank will maintain its current policy on cryptocurrency-related services, which could have a materially negative effect on the Fund.

Effect of Performance Allocation. The Manager will receive a Performance Allocation based on a percentage of any net realized and unrealized profits in the Fund. Performance fees may create an incentive for the Manager to make investments that are riskier or more speculative than would be the case in the absence of such incentive compensation arrangements. In addition, the Manager's performance allocations will be based on unrealized as well as realized gains. There can be no assurance that such unrealized gains will, in fact, ever be recognized. Furthermore, the valuation of unrealized gain and loss may be subject to material subsequent revision.

Effect of Substantial Withdrawals. Substantial withdrawals by Members within a short period of time could require the Fund to liquidate its investments more rapidly than would otherwise be desirable, possibly reducing the value of the Fund's assets and/or disrupting the Fund's investment strategies. Reduction in the Fund's size could make it more difficult to generate a positive return or to recoup losses due to, among other things, reductions in the Fund's ability to take advantage of particular investment opportunities or decreases in the ratio of its income to its expenses.

Lack of Liquidity. The Fund's withdrawal provisions place certain restrictions on the right of a Member to withdraw all or part of its Interest, transfer its Interest and pledge or otherwise encumber its Interest. Thus, a Member may not be able to liquidate the entire value of his or her Capital Account on any given withdrawal date. Interests may not be transferred or pledged except in compliance with significant restrictions on transfer as required by federal and state securities and commodities laws and as provided in the Fund Agreement. The Fund Agreement does not permit a Member to transfer or pledge all or any part of its Interest to any person without the prior written consent of the Manager, the granting of which is in the Manager's sole and absolute discretion. These limitations, taken together, will significantly limit a Member's ability to liquidate an investment in the Fund quickly. As a result, an investment in the Fund would not be suitable for an investor who needs liquidity.

Suspension of Withdrawals and Deferment of Withdrawal Proceeds. In certain circumstances, the Manager, in its sole and absolute discretion, may suspend the valuation of the Fund's assets, the right or obligation to honor withdrawal requests (including the right to receive withdrawal proceeds), and/or extend the period for payment on withdrawal. In addition, the Manager may suspend the right of withdrawal or postpone the date of payment for any period during which there is an extraordinary circumstance as determined in good faith by the Manager. The Manager may suspend the right of withdrawal or postpone the date of payment for any period during which (i) any exchange or over-the-counter market on which a substantial part of the investments owned by the Fund are traded is

closed,) or trading on any such exchange or market is restricted or suspended, (ii) there exists a state of affairs that constitutes a state of emergency, as a result of which disposal of the investments owned by the Fund is not reasonably practicable or it is not reasonably practicable to determine fairly the value of its assets, (iii) a breakdown occurs in any of the means normally employed in ascertaining the value of a substantial part of the assets of the Fund or when for any other reason the value of such assets cannot reasonably be ascertained, or (iv) a delay is reasonably necessary, as determined in the reasonable discretion of the Manager, in order to effectuate an orderly liquidation of the Fund's investments in a manner that does not have a material adverse impact on the Fund or the non-withdrawing Members. The Manager has reserved the right, in its sole discretion and without notice, to require any Member to withdraw entirely from the Fund, for any reason or no reason. As with all other withdrawals, any such required withdrawals may be effectuated in cash (by means of an electronic fund transfer or wire transfer) or, in the sole discretion of the Manager, a distribution of investments in-kind.

Contingency Reserves. Under certain circumstances, the Fund may find it necessary to set up one or more reserves for contingent or future liabilities or valuation difficulties and, upon withdrawal by a Member, withhold a portion of that Member's withdrawal proceeds. This could happen, for example, if the Fund or the issuer of portfolio investments were involved in a dispute regarding the value of its assets, in actual or threatened litigation, or subject to a tax audit at the time the withdrawal request would otherwise be satisfied.

Tax Considerations; Distributions to Members and Payment of Tax Liability. It is not possible to provide here a description of all potential tax risks to a person considering investing in the Fund. Prospective investors are urged to consult their own legal counsel and tax advisors with respect thereto, particularly in regard to the effect of the Tax Cuts and Jobs Act ("TCJA"), enacted December 22, 2017, with respect to an investment in the Fund. The Fund will not seek a ruling from the IRS with respect to any tax issues affecting the Fund. The Fund intends to elect under Section 475 of the Internal Revenue Code to mark all of its trading assets to mark, resulting in ordinary gain or loss. There is no authority applying Section 475 to trading in assets of the types to be traded by the Fund.

It should also be noted that the Fund's tax return may be audited by the IRS, and any such audit may result in an audit of the returns of the Members for the year(s) in question or unrelated years. Fund audit rules effective January 1, 2018, addressed below ("*Federal Tax Aspects*") may have a significant effect on IRS audits of the Fund and its Members. Further, any adjustment resulting from an audit would also result in adjustments to the tax returns of the Members and may result in an examination and adjustment of other items in such returns unrelated to the Fund. Members could incur substantial legal and accounting costs in litigation of any IRS challenge, regardless of the outcome. (*See "Federal Tax Aspects."*)

Delayed Schedules K-1. The Fund may not be able to provide final Schedules K-1 to Members for any given fiscal year until significantly after April 15 of the following year. The Fund will provide Schedules K-1 as soon as practicable after receipt of all of the necessary information. Members should be prepared to obtain extensions of the filing date for their income tax returns at the U.S. Federal, state and local level.

Undistributed Income. The Manager in its sole discretion may, but is not required to, make distributions to Members during the term of the Fund. Taxable income realized in any year by the Fund will be taxable to the Members in that year regardless of whether they have received any distributions from the Fund. Accordingly, Members may recognize taxable income for federal, state, and local income tax purposes without receiving any or a sufficient distribution from the Fund with which to pay the taxes thereon. The Manager may consider such possible tax liability of the Members when determining whether to make distributions, but no assurance is given that distributions, if made, will equal the amount of any Member's tax liability.

Restrictions on Transfer. The Interests are subject to certain restrictions on transfer, including a requirement that the Manager consent to any such transfer. There is no present market for the Interests, and no market is likely to develop in the future. Accordingly, Members may not be able to liquidate their investment in the event of an emergency or for any other reason, and Interests may not be readily acceptable as collateral for loans. Interests should be purchased only by prospective Investors who can bear the economic risk of their investment, who can afford to have their funds committed to an illiquid investment according to the withdrawal provisions in the Fund Agreement and who, if necessary, can afford a complete loss of their investment. (*See "Restrictions on Transfers of Interests."*)

Lack of Insurance. The assets of the Fund are not insured by any government or private insurer except to the extent portions may be deposited in bank accounts insured by the Federal Deposit Insurance Corporation. Therefore, in the event of the insolvency of a depository or custodian, the Fund may be unable to recover all of its funds.

Side Letters. The Manager may enter into agreements with certain Members that will result in different terms of an investment in the Fund than the terms applicable to other Members. As a result of such agreements, certain Members may receive additional benefits which other Members will not receive (*e.g.*, additional information regarding the Fund's portfolio, different withdrawal terms, lower Performance Allocations). The Manager will not be required to notify the other Members of any such agreement or any of the rights and/or terms or provisions thereof, nor will the Manager be required to offer such additional and/or different terms or rights to any other Member.

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

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

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

POTENTIAL CONFLICTS OF INTEREST

The Manager and its shareholders, Principals, members, partners, managers, directors, officers and employees (each an "***Affiliate***" or collectively "***Affiliates***") will only devote so much time to the affairs of the Fund as is reasonably required in the judgment of the Manager. Affiliates will not be precluded from engaging directly or indirectly in any other business or other activity, including exercising investment manager and management responsibility and buying, selling or otherwise dealing with investments for their own accounts, for the accounts of family members, for the accounts of other funds and for the accounts of individual and institutional clients and for other businesses owned by the Principals and associates (collectively, "***Other Accounts***"). Such Other Accounts may have investment objectives or may implement investment strategies similar to those of the Fund. Affiliates may also have investments in certain of the Other Accounts. Each Affiliate may give advice and take action in the performance of their duties to their Other Accounts that could differ from the timing and nature of action taken with respect to the Fund. Affiliates will have no obligation to purchase or sell for the Fund any investment that Affiliates purchase or sell, or recommend for purchase or sale, for their own accounts or for any of the Other Accounts. The Fund will not have any rights of first refusal, co-investment or other rights in respect of the investments made by Affiliates for the Other Accounts, or in any fees, profits or other income earned or otherwise derived from them. If a determination is made that the Fund and one or more Other Accounts should purchase or sell the same investments at the same time, Affiliates will allocate these purchases and sales as is considered equitable to each. No Member will, by reason of being a Member of the Fund, have any right to participate in any manner in any profits or income earned or derived by or accruing to Affiliates from the conduct of any business or from any transaction in investments effected by Affiliates for any account other than that of the Fund.

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

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

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

VALUATION OF INVESTMENTS

The Net Asset Value of the Fund will be determined as of such times as is required by the Fund Agreement or as may be determined by the Manager, but in any case no less than monthly. The value of assets held by the Fund shall be denominated in U.S. dollars.

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

The following general guidelines apply to the determination of the value of the Fund's investments:

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

- Digital Assets accepted as In-Kind Investments and paid as in-kind distributions may be valued in the Manager's discretion by the price listed on the Digital Asset exchange data aggregators. In any event, such In-Kind Investments may also be valued in a manner agreed upon by the Manager and Member at the time of subscription and withdrawal.

- All assets not described in categories above shall be valued in any fair and reasonable manner the Manager may determine. Absent bad faith or manifest error, the Manager's valuation determinations are conclusive and binding.

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

Net Asset Value will include any unrealized profit or loss on open positions and any other credit or debit accruing to the Fund but unpaid or not received by the Fund. Interest earned on the Fund's brokerage account, if any, will be accrued at least monthly. The amount of any distribution declared by the Fund, and of any withdrawal proceeds due but not yet paid, will be treated as a liability from the day when the distribution is declared, or the related withdrawal is effective, as applicable, until it is paid.

The Manager may make adjustments to the value of investments to best reflect their fair market value. All matters concerning the valuation of investments, the allocation of profits, gains, and losses among the Members, and accounting procedures not specifically and expressly provided for by the terms of the Fund Agreement, shall be determined by the Manager and shall be final and conclusive as to all of the Members.

SERVICE PROVIDERS

Auditor

The Manager, in its sole discretion, may select an auditor which will complete the year-end audit for the Fund. The Fund's books of account shall be audited as of the close of each fiscal year by Cohen & Company (the "***Auditor***") or any other independent accounting firm, as designated by the Manager. The Manager will furnish annual reports containing audited financial statements to all Members within one hundred twenty (120) days, or as soon thereafter as is reasonably practicable, following the conclusion of each fiscal year.

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

Administrator

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

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

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

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

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

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

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

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

The Fund agrees that NAV has no responsibility to verify, confirm or validate the existence, ownership or control of any cryptocurrency asset held by the Fund. To determine Fund's positions in cryptocurrency in connection with the services, NAV will rely on the Fund's management representations about said positions. The representation by the Fund's management NAV is entitled to rely on, includes, without limitation, the position information of: 1. cryptocurrency held in cold wallet, in the Fund's exchange account, or in the Fund's account with cryptocurrency custodian, 2. the ICOs, 3. cryptocurrency traded over-the-counter, 4. cryptocurrency received due to forks, airdrops or similar transactions, and 5. cryptocurrency acquired from Fund's mining. If the Fund holds the cryptocurrency in cold wallet, NAV may confirm the amount of cryptocurrency reported on the respective blockchain for the public key of the Fund, provided that given cryptocurrency has a public blockchain and a public key to such blockchain was given by the Fund or its Fund's management to NAV. Having said that, the Fund acknowledges that it is not possible for NAV to determine whether a public key belongs to the Fund. Provided that NAV receives read only access or read only API access, NAV may also confirm Fund's holdings based on the information apparent via such read only access or read only API access to the Fund's exchange accounts or Fund's accounts hosted by cryptocurrency custodians. Having said that, the Fund acknowledges that it is not possible for NAV to determine whether the API key belongs to the Fund. Shall the Fund engage in investing in the ICOs, the holdings in the ICOs and pre-sales may not be visible to NAV between the time of funding and the closing of the ICO. Accordingly, to perform the services, for the holdings in the ICOs and pre-sales, NAV will rely solely on the Fund's management representations regarding said positions. NAV may rely on the trade confirmations received from the Fund's management's and other counterparties for the OTC transactions. Shall the Fund engage in mining of cryptocurrency, NAV will not independently verify or otherwise perform any due diligence to determine that the cryptocurrencies acquired from mining were actually obtained as a result of Fund's mining activity and not from any other source. The Fund may receive assets due to forks, airdrop or similar transactions. NAV will not verify these transactions independently, but will rely solely on the information provided by the Management for these transactions. NAV may include in the Fund's net asset value assets due to forks, airdrops and similar transactions based on the Fund's management representations, even though, these assets may not be reported by the exchanges in the Fund's exchange accounts or wallets. The assets due to forks, airdrops and similar transactions may be allocated to the Fund's exchange or wallet accounts with delays, however, there is a possibility that the Fund may not receive these assets during the Fund's lifetime. The Fund acknowledges and agrees that NAV will not be required to independently ascertain, confirm nor verify the accuracy of the representations, confirmations and other information relied on by NAV discussed in this paragraph in performing the services. NAV shall not be liable to the Fund, Members or any other persons for losses suffered as a result of NAV's reliance on the aforementioned representations and other information relied.

The Fund acknowledges challenges in obtaining valuation information for digital assets. To provide the services, NAV will rely on prices published by the cryptocurrency exchanges. Each cryptocurrency may be traded on

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

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

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

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

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

Either party may terminate the NAV Agreement on 60 days' prior written notice as well as on the occurrence of certain events.

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

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

Legal Counsel

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

The Attorney's representation of the Fund is limited to the organization of the Fund, the offering of Interests and to certain other specific matters as to which the Attorney has been consulted by the Fund and/or the Manager. There may exist other matters which could have a bearing on the Fund and/or the Manager as to which the Attorney has not been consulted. In addition, the Attorney does not undertake to monitor the compliance of the Manager and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does the Attorney monitor compliance with all applicable laws. In the course of advising the Fund, there are times when the interests of the Members may differ from those of the Manager and its affiliates. For example, issues may arise

relating to trade errors, expenses to be charged to the Fund, withdrawal rights of Members and other terms of the Fund Agreement, such as those relating to amendments and indemnification. The Attorney does not represent the Members' interests in resolving such issues.

EXCHANGE AND CUSTODY

The Manager shall maintain custody of some or all of the Fund's Digital Assets, by generating the private keys that control movement of the various Digital Assets. In addition to maintaining custody of the Fund's Digital Assets in a "cold wallet," the Manager may store the Fund's Digital Assets on various Digital Asset exchanges. Digital Asset exchanges may also require the Manager to provide control of the private keys when the exchange is utilized by the Fund. The foregoing, however, shall not limit the Manager in any way from utilizing Digital Asset custody standards and practices that may exist in the future. The Manager retains the right to use any third party Digital Asset custodian in the future as firms and Digital Asset custody standards begin to develop. The Manager 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 Manager is not liable to the Fund or to Members for the failure or penetration of the security system absent gross negligence, fraud or criminal behavior on the part of the Manager. Maintaining Digital Assets on deposit or with any third party in a custodial relationship has attendant risks. These risks include security breaches, risk of contractual breach, and risk of loss. Members should be aware that the Fund may allow third parties to hold its property and this may result in the occurrence of any of the risks above mentioned.

Coindex AI will invest in a variety of decentralized financial products that are delivered and settled via blockchain technology, with no central third party to authorize, reconcile or provide recourse on any transaction or account. These products include but may not be limited to decentralized swaps, block trades, loans, debt instruments, lending instruments, staking and yield positions, automated market makers, interest notes, money market protocols, illiquid note tokens, DEXs, synthetic assets, financing protocols, wrapped tokens and assets, vaulted assets, smart contracts, overcollateralized or undercollateralized instruments, liquidity pools, and margin lending. Each of these products carries its own individual network risks associated with blockchain technology and potential for catastrophic failure with no central third party for recourse. Any individual pool, network, or system described could fail resulting in a catastrophic losses of any assets associated with that network.

QUALIFICATION OF INVESTORS

AN INVESTMENT IN THE FUND IS SUITABLE ONLY FOR INVESTORS OF SUBSTANTIAL FINANCIAL MEANS WHO HAVE NO NEED FOR LIQUIDITY IN THIS INVESTMENT. Interests in the Fund are being offered under Rule 506(b) of Regulation D of the Securities Act and Section 3(c)(1) of the Investment Company Act for investment by up to 100 persons who are "accredited investors" as defined in Rule 501(a) of Regulation D under the Securities Act who have sufficient knowledge and experience in financial and business matters to make them capable of evaluating the merits and risks of an investment in the Fund.

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

The Fund reserves the right to reject subscriptions in its sole discretion. Each purchaser will be required to represent that such purchaser's overall commitment to investments which are not readily marketable is not disproportionate to such purchaser's net worth, and that such purchaser's investment in the Fund will not cause such overall commitment to become excessive; that such purchaser can sustain a complete loss of such purchaser's investment in the Fund and has limited need for liquidity in such purchaser's investment in the Fund; and that such purchaser has evaluated the risks of investing in the Fund.

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

The Fund will not be registered as an investment company under the Investment Company Act of 1940, in reliance on Section 3(c)(1) thereof. As a Section 3(c)(1) fund, the Fund may offer Interests in a private placement

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

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

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

and The Interests therefore may not be resold except in a transaction registered under the Securities Act and the laws of certain states or in a transaction exempt from such registration. (See "*Restrictions on Transfer of Interests*.")

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

Rule 506(d) of Regulation D of the Securities Act provides for disqualification of a Rule 506 offering if any of the Principals of the Manager or in the event 20 percent or more of the Fund's interests is beneficially owned by a Member involved in a 'disqualifying event' in connection with the sale of securities, within the securities industry or with the SEC (a "***Bad Actor Event***"). A prospective investor subject to a Bad Actor Event within the previous 10 years may be denied admittance to the Fund in the Manager's sole discretion. An existing Member must inform the Manager immediately upon being subject to a Bad Actor Event. The Manager may remove such Member from the Fund at its sole discretion. The following eight infractions, as provided under Rule 506(d)(i) – (viii), constitute Bad Actor Events:

1. Conviction, within ten years before the sale of the securities (or five years, in the case of issuers, their predecessors and affiliated issuers), of any felony or misdemeanor: in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.
2. Being subject to any order, judgment or decree of any court of competent jurisdiction, entered within five years before the sale of the securities, that, at the time of such sale, restrains or enjoins you from engaging or continuing to engage in any conduct or practice: in connection with the purchase or sale of any security; involving the making of any false filing with the SEC; or arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.
3. Being subject to a final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations, or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the Commodity Futures Trading Commission; or the National Credit Union Administration that, at the time of the sale of the securities, bars you from: association with an entity regulated by such commission, authority, agency or officer; engaging in the business of securities, insurance or banking; or engaging in savings association or credit union activities; or constitutes a final order based on a violation of any law or regulation that prohibits fraudulent, manipulative, or deceptive conduct entered within ten years before the sale of securities.
4. Being subject to an order of the SEC entered pursuant to section 15(b) or 15B(c) of the Securities Exchange Act of 1934 (the "***Exchange Act***") or section 203(e) or 203(f) of the Investment Advisers Act of 1940 (the "***Advisers Act***") that, at the time of the sale of the securities: suspends or revokes your registration as a broker, dealer, municipal securities dealer, municipal securities dealer or investment adviser; places limitations on the activities, functions or operations of, or imposes civil money penalties on such person; or bars you from being associated with any entity or from participating in the offering of any penny stock.
5. Being subject to any order of the SEC, entered within five years before the sale of the securities, that, at the time of such sale, orders you to cease and desist from committing or causing a future violation of: any scienter-based anti-fraud provision of the federal securities laws, including, but not limited to, Section 17(a)(1) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(1) of the Advisers Act or any other rule or regulation thereunder, or Section 5 of the Securities Act.
6. Being suspended or expelled from membership in, or suspended or barred from association with a member of, a securities self-regulatory organization (*e.g.,* a registered national securities exchange or a registered national or affiliated securities association) for any act or omission to act constituting conduct inconsistent with just and equitable principles of trade.
7. Having filed (as a registrant or issuer), or having been named as an underwriter in any registration statement or Regulation A offering statement filed with the SEC that, within five years before the sale of the securities, was the subject of a refusal order, stop order, or order suspending the Regulation A exemption, or is, at the

time of the sale of the securities, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued.

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

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

FEDERAL TAX ASPECTS

The following discussion is for informational purposes only and is not intended as tax or legal advice. Each potential investor should seek advice based on the investor's particular circumstances from an independent tax advisor.

Pursuant to U.S. Department of the Treasury guidelines, the Fund must inform its investors that: (1) statements herein regarding U.S. federal tax laws are not intended to be used, and cannot be used to avoid penalties under any U.S. federal tax laws; and (2) any such statements have been written to support the promotion or marketing of the transactions described in this Memorandum.

Introduction

For purposes of this discussion, the "***Master LLC"*** shall refer collectively to Coindex Capital, LLC and its constituent series.

The following is a brief discussion of the material U.S. federal income tax considerations for a Member of acquiring, holding, and disposing of an Interest in the Fund. This discussion is based on the Fund's intended plan of operation, as described in this Memorandum, and the terms of the Fund Agreement, applying the U.S. federal income tax laws as currently in effect as contained in the Internal Revenue Code of 1986, as amended (the "***Code***"), Treasury Regulations promulgated thereunder, and relevant judicial decisions and administrative guidance. The U.S. federal tax laws are subject to change, possibly with retroactive effect, and any such change may materially affect the tax consequences of an investment in the Fund. Neither the Fund's management, sponsor, nor counsel has any continuing duty to advise the Fund or any Member of any changes in the tax law that may affect any party or cause any part of this discussion to become inaccurate. No rulings or opinions of counsel have been, or will be, requested with respect to any tax-related matter discussed herein. There can be no assurance that the positions the Fund takes on its tax returns will be accepted by the Internal Revenue Service (the "***IRS***") or any other tax authority. This discussion relates only to U.S. federal income taxes and not to any local, state or foreign taxes or U.S. federal taxes other than income taxes.

Because this discussion is a general summary, it does not address all aspects of U.S. federal income taxation that may be relevant to a particular Member in light of the Member's particular circumstances, nor does it address, unless explicitly noted with reference to the type of particular Member, certain types of Members subject to special treatment under the U.S. federal income tax laws, including but not limited to: tax-exempt organizations, insurance companies, financial institutions, broker-dealers, dealers in securities or currencies, traders in securities that elect to use the mark-to-market method of accounting for their securities, Members who are themselves partnerships or other pass-through entities for federal income tax purposes, regulated investment companies, real estate investment companies, real estate mortgage investment conduits, expatriates, persons liable for alternative minimum tax, persons whose "functional currency" is not the U.S. dollar, persons holding their investment as part of a hedging, constructive sale or conversion, straddle, or other risk-reducing transaction, and persons acquiring their interests in the Fund in connection with the performance of services.

Except as otherwise explicitly noted below with reference to non-U.S. Members (as defined below), this summary addresses only (i) individual citizens or residents of the United States (including dual residents treated as U.S. tax residents under an applicable tax treaty), (ii) corporations (including entities treated as corporations for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia, (iii) estates with income subject to U.S. federal income tax regardless of its source, (iv) trusts subject to primary supervision by a United States court and for which United States persons control all substantial decisions, or that were in existence on August 20, 1996 and have elected to be treated as a U.S. person; or (v) persons whose worldwide income or gain is otherwise subject to U.S. federal income tax on a net income basis. The discussion below assumes that a Member holds its interest in the Fund as a capital asset within the meaning of the Code.

Portions of this discussion address the ability of Members to utilize items of loss or deduction allocated to them by the Fund. Potential Members are cautioned that the Fund will not be operated for the purpose of generating tax deductions, losses, credits or other benefits. Members should not anticipate that an investment in the Fund will yield items of deduction, loss, or credit to offset items of income or gain from other sources.

Tax Status of the LLC and Funds

The IRS has privately ruled, and the U.S. Treasury Department has issued proposed regulations to the effect, that each series of a "series organization," such as a multi-series limited liability company, shall determine its tax status separately, as either a corporation, partnership, or disregarded entity, depending on its number of owners and whether the series makes an election to change its default classification. Therefore, for U.S. federal income tax purposes, we expect that each Fund with more than one owner shall be considered a separate taxable entity.

The Manager intends for the Fund with more than one owner to be treated as a partnership, and for Members to be treated as partners in such partnerships, for federal income tax purposes. The Fund has neither requested nor will receive any opinion of counsel or private letter ruling regarding such status. In general, as discussed below, partnerships are not separate taxable entities.

Certain "publicly traded partnerships" ("***PTPs***"), however, are taxed as corporations for federal income tax purposes. A partnership is "publicly traded" for this purpose if its interests are traded on an established securities market or are readily tradable on a secondary market (or the substantial equivalent thereof), as defined in the Code. As a safe harbor, a partnership will not be a PTP if its equity interests are not required to be registered under the Securities Act, and the partnership will not have more than 100 equity Members ("looking through" certain Members who are themselves partnerships or other flow-through entities). Additionally, even if it is a PTP, a partnership will not be taxed as a corporation if: (i) it would not qualify as a regulated investment company for tax purposes if it were a domestic corporation; and (ii) 90 percent or more of its gross income for a taxable year is "qualifying income," which includes certain dividends, interest, real property rents, mineral and natural resource-related income, commodities-related income, and capital gain from the sale or disposition of assets held to produce qualifying income.

If any Fund were taxable as a corporation, the Fund would pay U.S federal income tax at corporate rates on its net income, and distributions to the Members would in general be dividends to the extent of the Fund's "earnings and profits" (as defined for tax purposes), with distributions in excess thereof being treated first as a return of capital and thereafter as capital gain. Any such tax at the entity level would reduce the amount of cash available for distribution to the Members.

Neither the IRS private letter rulings nor the proposed regulations of the U.S. Treasury Department regarding series organizations address how the series organization itself will be classified for U.S. tax purposes if its constituent series are classified as separate taxable entities. Therefore, the Fund can make no representation regarding the U.S. tax classification of the LLC or how that classification may affect the tax classification of the Fund (e.g., whether classification of the LLC as a corporation would preclude the treatment of any Fund as a partnership or a disregarded entity owned by the Members holding interests in such Fund). The Fund intends, to the maximum extent permitted by law, for the LLC not to be classified as a corporation or PTP for U.S. federal income tax purposes.

The remainder of this discussion assumes that each Fund will be taxable as a partnership for U.S. federal income tax purposes (and not a corporation, by reason of being a PTP or otherwise), and that the LLC will not be treated as a separate taxable entity.

Taxation of Members on Profits, Losses, and Distributions

As a partnership, the Fund will not be subject to entity-level federal income tax. The Fund will compute its items of income, gain, loss, deduction, and credit as if it were an individual, except that certain deductions are not allowed, and aggregating or separately stating such items as required by the Code. Each Member will be required annually to take into account and report separately, on its own federal income tax return, its respective distributive share of the Fund's tax items for the taxable year of the Fund ending with or within the Member's taxable year, regardless of whether the Member has received or will receive any distribution of cash or property from the Fund. It is possible that Members will incur tax liabilities attributable to the Fund that exceed the amount of cash distributions made to them. Generally, ordinary income or loss earned or incurred by the Fund will be ordinary income or loss to the Members, and capital gain or loss earned or incurred by the Fund will be capital gain or loss to the Members. Whether such capital gain or loss is long-term or short-term will generally depend on the Fund's holding period for the Portfolio capital asset and not a Member's holding period for its interest in the Fund. Non-corporate Members may also be subject to an additional 3.8 percent Medicare contribution tax on allocations from the Fund's "net investment income," including certain interest, dividends, capital gains, annuities, royalties, and rents.

Distributive shares of income, gain, loss, deduction and credit are allocated in accordance with the Fund Agreements. The Fund expects that such allocations will be respected by the IRS as either having "substantial economic effect" (or be deemed to have substantial economic effect) or being determined in accordance with a "partner's interest in the

partnership." However, the Treasury Regulations regarding when allocations are respected for tax purposes are very complex, and there can be no assurance that the allocations described in the Fund Agreements will be respected by the IRS.

Generally, distributions of cash received by a Member from the Fund (as opposed to allocations of taxable income or loss) will not be taxable to the extent of such Members adjusted tax basis in its interest in the Fund, with any excess treated as gain or loss from a sale or exchange of such interest. Distributions of property (other than cash) received by a Member from the Fund are generally not taxable. For this purpose, in the case of a distribution of marketable securities, such securities are generally treated like cash up to their fair market value; provided, that if the Fund qualifies as an "investment partnership" under the Code, such securities will be treated like property other than cash.

A Member selling appreciated securities distributed to it tax-free by the Fund will generally recognize taxable gain based on the total appreciation in the value of the securities (subject to certain adjustments and exceptions in the case of a distribution in liquidation of a Member's interest in the Fund), including such appreciation that accrued while the securities were held by the Fund.

Although the Fund will not be subject to federal income tax, the Fund will be required to file an annual partnership information return with the IRS for each Fund (*i.e.*, Form 1065 including Schedule K-1), identifying each Member as a partner and setting forth each Member's distributive shares of the Fund's tax items. The Fund's taxable year will be determined in accordance with the requirements of the Code and is expected to be the calendar year. The Fund also will provide Members with statements to assist them in determining and reporting on their federal income tax returns items of taxable income, gain, loss, deduction and credit arising from their investment in the Fund. While the Fund will endeavor to provide timely tax reporting to all Members, it cannot guarantee that this can be accomplished in any year or at all. It may be that, in any given fiscal year, such reporting may not be available until after April 15 of the following year. Members, therefore, should be prepared to obtain extensions of the filing date for their income tax returns at the federal, state and local level.

Dealer, Trader, or Investor Status

Very generally, a dealer is a person who purchases securities for resale to customers, rather than for investment or speculation. A dealer intends to profit from the margin between the purchase and the resale, rather than any appreciation in the value of the securities. A trader is a person who acquires securities for its own account, with the purpose of profiting from the appreciation in the value of such securities. A trader's activity is sufficiently continuous, regular, and professional to resemble a business more than a series of passive investments. Finally, an investor purchases securities for its own account and for appreciation, but without the continuity, regularity, and professionalism of a trader.

Again very generally, with respect to gains and losses from selling securities, a dealer is treated as disposing of inventory (not a capital asset); the resulting gain or loss is taxable as ordinary income or loss. On the other hand, securities are not inventory in the hands of a trader or investor, and gain or loss on the sale of such securities is capital gain or loss (long-term if such securities were held for more than one year).

With respect to management fees and other expenses, both dealers and traders are considered to be engaged in a trade or business for U.S. federal income tax purposes; such expenses are therefore deductible in the same manner as other ordinary, necessary, and reasonable business expenses. On the other hand, investors are not considered to be engaged in a trade or business, and therefore the deductibility of investment-related expenses is limited.

The facts that determine dealer, trader, or investor status will vary according to each Fund. The Fund, however, expects to be either a trader or an investor, and not a dealer, with respect to its investment activities.

Taxation of Investment Activities

The tax consequences to Members of the Fund's investment activities are very complex, and will vary according to the specific investment activities of the Funds. The following is only a general description of certain tax issues associated with different types of equity investments, and does not discuss all the possible investment activities of the Funds. Members are urged to consult an independent tax advisor regarding taxation of the Fund's investments in light of their individual tax circumstances.

Virtual Currencies.

The Fund will invest in Digital Assets. On March 25, 2014, the Service issued a notice regarding certain U.S. federal tax implications of transactions in, or transactions that use, virtual currency (the "Notice"). According to the Notice, virtual currency is treated as property, not currency, for U.S. federal tax purposes, and "[g]eneral tax principles applicable to property transactions apply to transactions using virtual currency." In part, the Notice provides that the character of gain or loss from the sale or exchange of virtual currency depends on whether the virtual currency is a capital asset in the hands of the taxpayer. Accordingly, in the U.S., certain transactions in virtual currency are taxable events and subject to information reporting to the Service to the same extent as any other payment made in property.

Although the Service has issued the Notice, there remain many uncertainties as to the tax treatment of Digital Assets. For instance, the Service has not indicated whether or to what extent virtual currencies should be considered securities or commodities for U.S. federal income tax purposes. It is unclear to what extent the rules relating to short sales, to so-called "straddle" and "wash sale" transactions and to Section 1256 Contracts discussed below apply to virtual currencies. Furthermore, the tax treatment of certain Digital Assets that are considered securities for purposes of U.S. laws and regulations and other Digital Assets that function other than as a medium of exchange (or currency equivalent) is unclear. If the Fund were to own such Digital Assets, it is possible that the Service would treat such Digital Assets as equity interests in an underlying constructive joint venture or association, in which case the Members may be taxable on their share of any items of income deemed allocated or deemed distributed from the constructive joint venture or association to the Members. Additionally, if such constructive joint venture or association were considered a non-U.S. corporation for U.S. federal tax purposes, Members may receive "phantom income" under certain anti-deferral rules (see "'Phantom Income' From Fund Investments" below).

The U.S. Department of Treasury and the Service may publish future guidance that provides for adverse tax consequences to the Fund and investors in the Fund. Members should be aware that tax laws and Regulations change on an ongoing basis, and that they may be changed with retroactive effect. Moreover, the interpretation and application of tax laws and regulations by certain tax authorities may not be clear, consistent or transparent. As a result, the U.S. Federal tax consequences of investing in the Fund are uncertain, and the net asset value of the Fund at the time any subscriptions or exchanges of Interests occur may not accurately reflect the Fund's direct or indirect tax liabilities, including on any historical realized or unrealized gains (including those tax liabilities that are imposed with retroactive effect). In addition, the net asset value of the Fund at the time any subscriptions or exchanges of Interests occur may reflect a direct or indirect accrual for tax liabilities, including estimates of such tax liabilities, that may not ultimately be paid. Accounting standards may also change, creating an obligation for the Fund to accrue for a tax liability that was not previously required to be accrued for or in situations where it is not expected that the Fund will directly or indirectly be ultimately subject to such tax liability.

Additionally, application of tax laws and regulations may result in increased, ongoing costs, or accounting related expenses, adversely affecting an investment in the Fund. Also, outside the U.S. the tax rules applicable to Digital Assets are uncertain. Accordingly, the costs or tax consequences to an investor or the Fund could differ from the investor's expectations.

Taxation of Certain Securities Transactions

Short-Term Trading. Depending on the nature of the Fund’s investments, the Fund’s income may include ordinary income and long and short-term capital gains. Because in many cases, the Fund’s investment strategy may focus on relatively short-term stock price movements, it is likely that much of a Member’s capital gains from the Fund will be short-term capital gains, which are generally taxed at the same rates applicable to ordinary income.

Straddles. Under Code Section 1092(a) and the regulations thereunder, a straddle is defined as an “offsetting position” where there is a “diminished risk of loss by holding one or more other positions with respect to substantially similar or related property.” Offsetting positions held by the Fund involving certain derivative instruments, such as options, futures and forward currency contracts, may be considered, for federal income tax purposes, to constitute “straddles.” In certain circumstances, the rules governing straddles override or modify the provisions of Code Section 1256 described below.

If the Fund is treated as entering into a straddle and at least one (but not all) of its positions in derivative contracts comprising a part of such straddle is governed by Code Section 1256, then such straddle could be characterized as a “mixed straddle.” The Fund may make one or more elections with respect to mixed straddles. Depending on which election is made, if any, the results with respect to the Fund may differ. Generally, to the extent the straddle rules apply to positions established by the Fund, losses realized by it may be deferred to the extent of unrealized gain in any offsetting positions. Moreover, as a result of the straddle rules, short-term capital loss on straddle positions may be characterized as long-term capital loss, and long-term capital gain may be characterized as short-term capital

gain. In addition, the existence of a straddle may affect the holding period of the offsetting positions and cause such sales to be subject to the "wash sale" and "constructive sale" rules discussed below.

Therefore, the straddle rules could cause distributions that would otherwise constitute "qualified dividend income" to fail to satisfy the applicable holding period requirements and therefore to be taxed as ordinary income rate. Further, the Fund may be required to capitalize, rather than deduct currently, any interest expense and carrying charges applicable to a position that is part of a straddle. Because the application of the straddle rules may affect the character and timing of gains and losses from affected straddle positions, the amount which must be distributed to shareholders, and which will be taxed to shareholders as ordinary income or long-term capital gain, may be increased or decreased substantially as compared to the situation where the Fund had not engaged in such transactions.

In order to qualify a dividend for a dividend received deduction, the holding period rules require the stock to be held for more than 45 days during the 91-day period beginning on the date that is 45 days before the date on which such stock goes ex-dividend. For a stock that is subject to any straddle under Code Section 1092, for purposes of determining the character of gain or loss, the holding period is eliminated. The holding period restarts when the stock is no longer subject to the straddle or is not covered by a qualified covered call.

Mark-to-Market Elections. Gain or loss from the disposition of securities generally is taken into account for tax purposes only when realized. However, a taxpayer that is engaged in a trade or business as a trader in securities may elect under Code Section 475(f) to mark-to-market the securities it holds. An analogous rule applies to traders in commodities who may elect to treat commodities positions held for trading as subject to the same mark-to-market regime. A taxpayer that trades in both securities and commodities may make the mark-to-market election with respect to both securities and commodities positions held for trading. The mark-to-market rules require the trader making the election to recognize gain or loss with respect to the securities held in connection with its trade or business of trading securities and commodities at the end of each taxable year as if the trader sold the securities for their fair market value on the last business day of the taxable year. The Fund; if treated as a trader in securities and/or as a trader in commodities the Fund may make the mark-to-market election, and if it does so, the election would apply to the year in which it is made and all subsequent taxable years and to all securities and/or commodities held in connection with the trader's trade or business. A mark-to-market election cannot be revoked without the consent of the IRS. Any gain or loss recognized pursuant to the election would be treated as ordinary income or loss. The Fund intends to make the elections under Section 475 with respect to both securities and commodities. As a result, the Fund would not be subject to tax regimes such as wash sales (discussed below), straddles and constructive sales as all of its positions will be marked to market at year-end. The Fund notes that although there is no existing authority with respect to the Section 475 elections with respect to digital assets, the Fund's trading activities ae within the scope of the activities to which these elections ae available.

Section 1256 Contracts. Special mark-to-market rules apply to the Fund's investment in "Section 1256 Contracts." Section 1256 Contracts include certain regulated futures contracts, certain foreign currency forward contracts and certain options contracts. Under the mark-to-market system of taxing Section 1256 Contracts, any unrealized profit or loss on positions in such Section 1256 Contracts that are open as of the end of a taxpayer's fiscal year is treated as if such profit or loss had been realized for tax purposes as of such time. In general, 60% of the net gain or loss which is generated by transactions in Section 1256 Contracts is treated as long-term capital gain or loss and the remaining 40% of such net gain or loss is treated as short-term capital gain or loss. The Code allows a taxpayer to elect to offset gains and losses from positions, which are part of a "mixed straddle," defined as any straddle in which one or more but not all positions are Section 1256 Contracts.

Wash Sales. The Fund may be impacted in certain circumstances by special rules relating to "wash sales." Generally, the wash sale rules prevent the recognition of a loss by the Fund from the disposition of stock or securities at a loss in a case in which identical or substantially identical stock or securities (or an option to acquire such property) is or has been acquired by it within 30 days before or 30 days after the sale.

Constructive Sales. Certain rules may affect the timing and character of gain if the Fund engages in transactions that reduce or eliminate its risk of loss with respect to appreciated financial positions. If the Fund enters into certain transactions (including a short sale, an offsetting notional principal contract, a futures or forward contract, or other transactions identified in Treasury Regulations) in property while holding an appreciated financial position in substantially identical property, it will be treated as if it had sold and immediately repurchased the appreciated financial position and will be taxed on any gain (but not loss) from the constructive sale. The character of gain from a constructive sale will depend upon the Fund's holding period in the appreciated financial position. Loss from a constructive sale would be recognized when the position was subsequently disposed of, and its character would depend on the Fund's holding period and the application of various loss deferral provisions of the Code.

Furthermore, if the appreciated financial position is itself a short sale or other such contract, acquisition of the Portfolio property or substantially identical property by the Fund will be deemed a constructive sale. The foregoing will not apply, however, to the Fund's transaction during any taxable year that otherwise would be treated as a constructive sale if the transaction is closed within 30 days after the end of that year and the Fund holds the appreciated financial position unhedged for 60 days after that closing (i.e., at no time during that 60-day period is the Fund's risk of loss regarding the position reduced by reason of certain specified transactions with respect to substantially identical or related property, such as having an option to sell, being contractually obligated to sell, making a short sale or granting an option to buy substantially identical stock or securities).

Limitation on Fund Losses and Deductions

The Code and Treasury Regulations limit the ability of Members to utilize losses and deductions that may arise from the Fund's activities. For instance, allocations of loss or deduction from the Fund, or the ability to utilize such allocations, may be limited by a Member's adjusted tax basis in its interest in the Fund at the end of the Fund's taxable year in which the loss or deduction incurred. Items of loss or deduction that cannot be utilized by reason of this limitation may be carried forward to future years.

Additionally, individuals and certain closely held corporations are subject to the "at risk" rules that limit a Member's ability to utilize losses to the amount the Member has at risk in the Fund's activities. A Member's at-risk amount generally is equal to the Member's adjusted tax basis in its interest in the Fund, not including attributable to liabilities of the Fund, and including amounts borrowed by the Member only to the extent the Member is personally liable or to the extent of the net fair market value of the Member's interest in property (other than its interest in the Fund) that the Member has pledged as security for the loan. To the extent that a Member's allocable share of Fund losses is not allowed because the Member has an insufficient amount at-risk in the Fund, such disallowed losses may be carried forward by the Member to subsequent taxable years and will be allowed to the extent of the Member's at-risk amount, if any, in subsequent years.

The Code restricts the deductibility of losses from a "passive activity" against certain income that is not derived from a passive activity. A "passive activity" for a Member is generally defined as any trade or business or activity for the production of income in which a Member does not materially participate. A passive activity does not include trading in personal property (such as securities) for one's own account. Regardless of material participation, however, any rental activity is a passive activity. Except to the extent the Fund engages, directly or indirectly through pass-through entities, in income-producing activities other than trading in personal property for its own account, or in rental activities, the Fund's investment activities should not constitute a passive activity for purposes of the passive activity loss rules. Therefore, a Member will not be able to utilize losses and deductions from passive activities to offset the Member's share of the Fund's income and gain (until the Member disposes of its interest in the passive activity).

A Member's use of the Fund's capital losses is subject to significant limitations. For instance, capital losses may generally only be used to offset capital gains income. Non-corporate Members may not carry back capital losses, but may carry forward capital losses indefinitely to future years. Additionally, non-corporate Members may deduct up to $3,000 per year in capital losses against ordinary income.

Non-corporate Members are limited in their ability to deduct the Fund's investment-related interest and short-sale expenses. In general, such expenses are only deductible to the extent of the Member's "net investment income" from all sources, consisting of net gain and ordinary income derived from investments in the current taxable year less certain directly connected expenses (other than interest or short sale expenses). For this purpose, any long-term capital gain or qualified dividend income is excluded from net investment income unless the Member elects to pay tax on such amount at ordinary income tax rates. Any amounts not deductible under these rules may be carried forward to future years, subject to certain limitations.

If the Fund is not treated as engaged in a trade or business (i.e., treated as an investor and not a dealer or trader), or if the Fund invests in a pass-through entity not treated as engaged in a trade or business, a non-corporate Member's allocation of expenses related to the Fund, or the investment, as the case may be, will be deductible only as "miscellaneous itemized deductions." Miscellaneous itemized deductions are deductible only to the extent such deductions exceed 2 percent of the Member's adjusted gross income, and further are not deductible for alternative minimum tax purposes. Miscellaneous itemized deductions that are deductible may be subject to further limitations that apply generally to all itemized deductions, such as the phase-out of itemized deductions for high-income taxpayers.

Mandatory Basis Adjustments

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

Medicare Contribution Tax on Net Investment Income

For taxable years beginning after December 31, 2012, a 3.8% Medicare tax will generally be imposed on the "net investment income" of individuals, estates and trusts, including such income allocated to them by a tax partnership. "Net investment income" generally includes the following: (1) gross income from interest and dividends other than from the conduct of a nonpassive trade or business, (2) other gross income from a passive trade or business, and (3) net gain attributable to the disposition of property other than property held in a nonpassive trade or business. A significant portion of the income that the Fund derives and allocates to Members may constitute net investment income.

Disposition of Interest

Upon a sale or transfer of an interest in the Fund, a Member will recognize gain or loss equal to the difference between such Member's amount realized (as determined for tax purposes) and such Member's adjusted tax basis in the interest (or portion thereof) sold or transferred. A Member's "amount realized" generally will include both the fair market value of the consideration received and the Member's allocable share of any liabilities of the Fund. A Member's tax basis in his, her, or its interest in the Fund initially will be the amount paid for the Fund interest plus the Member's share (as determined for federal income tax purposes) of any liabilities of the Fund, and will thereafter be adjusted as required under the Code to give effect on an ongoing basis to the Member's share of the Fund's tax items, distributions, and liabilities. The rules governing basis adjustments and the taxation of distributions are complex, and prospective Members should consult with their own tax advisors concerning these rules.

A Member's gain or loss upon a disposition of its interest in the Fund will typically be capital gain or loss, long-term if the Member holds the interest for more than one year, except that gains or losses attributable to inventory or unrealized receivables (defined broadly to include, among others, recapture items, market-discount bonds, short-term obligations, and stock in certain foreign corporations) will be ordinary income or loss. As described above, the use of capital losses is subject to significant limitations.

Tax Audits

An IRS audit of the Fund would be conducted at the entity level in a single proceeding, rather than by individual audits or judicial proceedings involving the Members separately. The Manager would represent the Fund at any such audit as the "partnership representative" and has considerable authority to make decisions affecting the tax treatment and procedural rights of the Members, and may also enter into settlement agreements with the IRS that bind Members and consent on behalf of the Fund to extend the statute of limitations for assessing a deficiency. An audit of the Fund may result in changes to the treatment of the Fund's tax items and may result in Members being required to pay additional tax, interest and possibly penalties. An audit of the Fund's tax return could lead to an audit of a Member's separate tax return and to adjustments to items that are not related to an investment in the Fund. The Fund will not be responsible for paying any expenses incurred by a Member in connection with an audit of its returns, a Member's participation in an audit of a return filed by the Fund, or in any subsequent judicial proceeding.

Tax Shelter Reporting Requirements

The Treasury Regulations impose special reporting rules for so-called "reportable transactions." If it were determined that an investment in the Fund constitutes a reportable transaction, each Member would be required to complete and file IRS Form 8886 with such Member's tax return for the taxable year that includes the date that such Member acquired an interest in the Fund. In addition, the Fund sponsor may be required to disclose certain information about the Members and the Fund to the IRS, including the Members' capital commitments, tax identification numbers (if any), and dates of admission to the Fund.

The Fund may engage in certain transactions that constitute reportable transactions and with respect to which both the Fund and certain Members may be required to file Form 8886. In certain situations, the Fund sponsor may be required to maintain lists of the Members in the Fund and may be required to furnish such lists to the IRS at its request. Members should consult their tax advisors for advice concerning compliance with the reportable transaction rules.

Tax-Exempt Members

The discussion below addresses how certain Members such as tax-exempt organizations, qualified plans, individual retirement accounts and annuities, and state colleges and universities ("***Tax-Exempt Members***") may realize unrelated business taxable income ("***UBTI***") due to the Fund's activities.

UBTI is income from a trade or business, regularly carried on, that is unrelated to a Tax-Exempt Member's exempt purposes, and income derived from debt-financed property. The Fund expects that investments in corporate stock and securities or real estate or other assets will give rise principally to dividends, interest, and gains from the sale or exchange of capital assets, which are generally not UBTI unless the investment giving rise to such income is financed with debt (as defined for income tax purposes, including such financial devices as repurchase agreements, commonly known as "repo" transactions). But if the Fund invests in companies treated as partnerships for tax purposes, a Tax-Exempt Member's distributive share of income earned by the Fund will be UBTI if such income would have been UBTI if earned directly by the Tax-Exempt Member. Moreover, certain income from foreign portfolio companies treated as corporations, such as insurance income from controlled foreign corporations, may be UBTI. If a Tax-Exempt Member debt-finances its investment in the Fund, some, or all, of its distributive share of income from the Fund may be UBTI.

There can be no assurance that a Tax-Exempt Member's investment in the Fund will not give rise to UBTI. Each potential Member should consult an independent tax advisor regarding the UBTI consequences of an investment in the Fund in light of the Member's particular circumstances. The Fund understands that making a Section 475 election will not by itself constitute an "unrelated trade or business" for Tax-Exempt Members.

There are special considerations that should be taken into account by certain beneficiaries of charitable remainder trusts that invest in the Fund. Charitable remainder trusts should consult their own tax advisers concerning the tax consequences of such an investment on their beneficiaries. In particular, a charitable remainder trust will not be exempt from federal income tax under Code Section 664(c) for any year in which it has UBTI. Moreover, the charitable contribution deduction for a trust under Code Section 642(c) may be limited for any year in which the trust has UBTI.

Non-U.S. Members

The discussion below addresses the application of certain U.S. federal income tax laws to Members who are not United States citizens, residents, business entities, estates, or trusts ("***Non-U.S. Members***"). For this purpose, Non-U.S. Members include individual dual residents treated as a non-U.S. tax resident under an applicable tax treaty. The application of the federal tax laws to non-U.S. persons is complex, and this summary does not address all aspects of those laws.

Except to the extent of income "effectively connected" with a U.S. trade or business (in all cases to include the disposition of U.S. real property or U.S. real property holding corporations), a Non-U.S. Member's distributive share of the Fund's capital gains will not be subject to U.S. tax, and its distributive share of the Fund's dividends, interest, and certain other income will be subject only to a 30-percent withholding tax. Under certain circumstances, the withholding tax may be reduced or eliminated if a Non-U.S. Member properly certifies to its entitlement to tax treaty benefits or the "portfolio interest" exception (generally available to non-U.S. persons who do not own 10 percent or more of the issuing entity and receive non-contingent interest on registered debt obligations). The Fund understands that a Non-U.S. Member would not be considered to be a member of a partnership carrying on a trade or business within the United States solely by reason of making a Section 475 election.

A Non-U.S. Member's distributive share of the net gain recognized upon a disposition by the Fund of a United States real property interest would be treated for federal income tax purposes as if it were effectively connected with a U.S. trade or business. In general, the Fund must withhold tax on the Non-U.S. Member's distributive share of such net gain and each Non-U.S. Member would be required to report its share of such gain on a U.S. tax return. The term "United States real property interest" generally would include: (i) an interest in real property in the United States or Virgin Islands; (ii) shares of stock in a U.S. corporation that does not have a publicly traded class of stock outstanding if 50 percent or more of the value of the corporation's assets at any point during the preceding 5 years consisted of interests in United States real property; and (iii) shares of stock in a U.S. corporation that does have a publicly traded class of stock outstanding where (A) the corporation satisfies the real property ownership test described in clause (ii), above, and (B) the Fund held (directly or pursuant to certain attribution rules) more than 5 percent of the outstanding stock of any publicly traded class of shares or held shares of non-publicly traded stock with a fair market value greater than that of 5 percent of the publicly traded class of the corporation's stock with the lowest fair market value.

If the Fund is deemed engaged in a U.S. trade or business, or if a portfolio company treated as a partnership engages in a U.S. trade or business, then a Non-U.S. Member will be deemed engaged in a U.S. trade or business. A Non-U.S. Member deemed engaged in a U.S. trade or business is subject to federal income tax on any income "effectively connected" with that trade or business on similar terms and rates as a U.S. person. In those circumstances, the Fund must withhold tax on the Non-U.S. Member's distributive share of effectively connected

income, and the Non-U.S. Member must file a U.S. tax return. Furthermore, the Non-U.S. Member may be subject to U.S. federal income tax on its gain from the disposition of its interest in the Fund, and, if a corporation, the Non-U.S. Member may be subject to an additional 30-percent branch profits tax on its earnings and profits effectively connected with the U.S. trade or business.

In the course of the Fund's investment activities, the Fund sponsor or an affiliate may receive certain fees directly from portfolio companies, such as break-up fees, closing fees, monitoring fees, and director fees, which may reduce future management fees otherwise payable by the Fund. The Fund expects that a Non-U.S. Member will not be deemed to receive any such fees. There is, however, a risk that the IRS may assert that a Non-U.S. Member should be treated as having received a portion of such fees, which in turn may be income effectively connected with a U.S. trade or business.

There can be no assurance that no part of a Non-U.S. Member's distributive share of income from the Fund will be treated as effectively connected with a U.S. trade or business. Each potential Member should consult an independent tax advisor regarding the consequences of a cross-border investment in the Fund in light of the Member's particular circumstances.

Foreign Account Tax Compliance Act

Sections 1471 through 1474 of the Code will generally impose a withholding tax of 30 percent on certain gross income not effectively connected with a U.S. trade or business paid to certain foreign entities, unless certain requirements are satisfied. Amounts subject to withholding tax under these rules generally include gross U.S.-source dividend and interest income paid on or after July 1, 2014, as well as gross proceeds from the sale of property that produces U.S.-source dividend or interest income paid on or after January 1, 2017. To avoid withholding under these rules, Non-U.S. Members that are subject to these rules will generally be obligated to comply with certain information reporting and disclosure requirements, which may include, among other things, entering into an agreement with the IRS. Non-U.S. Members are encouraged to consult their own tax advisors regarding the possible application of Sections 1471 through 1474 of the Code on their investment in the Fund.

ERISA CONSIDERATIONS

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

General

Persons who are fiduciaries with respect to a U.S. employee benefit plan or trust within the meaning of and subject to the provisions of ERISA (an "***ERISA Plan***"), an IRA or a Keogh plan subject solely to the provisions of the Code[5] (an "***Individual Retirement Fund***") should consider, among other things, the matters described below before determining whether to invest in the Fund. ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to an ERISA Plan, including prudence, diversification, avoidance of prohibited transactions and compliance with other standards. In determining whether a particular investment is appropriate for an ERISA Plan, U.S. Department of Labor ("***DOL***") regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan's portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan's purposes, the risk and return factors of the potential investment, the portfolio's composition with regard to diversification, the liquidity and current return of the total portfolio relative to the anticipated cash flow needs of the ERISA Plan, the projected return of the total portfolio relative to the ERISA Plan's funding objectives, and the limitation on the rights of Members to withdraw all or any part of their Interests or to transfer their Interests. Before investing the assets of an ERISA Plan in the Fund, a fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. For example, a fiduciary should consider whether an investment in the Fund may be too illiquid or too speculative for a particular ERISA Plan and whether the assets of the ERISA Plan would be sufficiently diversified. If a fiduciary with respect to any such ERISA Plan breaches its responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

Plan Assets Defined

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

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

Limitation on Investments by Benefit Plan Investors

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

Representations by Plans

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

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

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

RESTRICTIONS ON TRANSFER OF INTERESTS

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

ADDITIONAL INFORMATION

Prospective investors should understand that the discussions and summaries of documents in this Memorandum are not intended to be complete. Such discussions and summaries are subject to and are qualified in their entirety by reference to such documents. The Fund will deliver to any prospective investor, upon request, a copy of any and all such documents. The Manager will afford prospective investors and their purchaser representatives the opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information which the Fund possesses or can acquire without unreasonable effort or expense.

PRIVACY NOTICE

Coindex Market Neutral Series
of
Coindex Capital, LLC

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

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

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

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