Copy No. 1 *Furnished to:* _____

Receipt Acknowledged _____ *Date*_____

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Plutus Capital LP.

PLUTUS CAPITAL, LP

(a Colorado limited partnership)

General Partner:
Plutus Fund Management, LLC
c/o Registered Agents Inc.
30 N. Gould St. Ste R
Sheridan WY 82801

Dated as of February 06, 2020

NEITHER THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE, NOR ANY OTHER REGULATORY OR SELF-REGULATORY AUTHORITY OR BODY, HAS PASSED UPON THE VALUE OF THE LIMITED PARTNERSHIP INTERESTS DESCRIBED HEREIN, MADE ANY RECOMMENDATION AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR THE QUALIFICATIONS OF THE GENERAL PARTNER OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM.

INTRODUCTION AND GENERAL INFORMATION

Plutus Capital, LP. (the "**Fund**") is a Colorado limited partnership organized on October 22, 2018 whose investment objective is to achieve superior returns by investing in cryptocurrency.

Plutus Fund Management, LLC. (the "**General Partner**") is a Wyoming limited liability company and serves as the general partner of the Fund and, in that capacity, has responsibility for managing the investment activities of the Fund. The General Partner will seek to achieve the Fund's investment objectives by employing a variety of investment strategies to take advantage of profitable opportunities in the cryptocurrency markets.

The Fund is offering its limited partnership interests (the "**Interests**") by way of this Confidential Private Placement Memorandum (which, together with its exhibits, is referred to as the "**Memorandum**"). This Memorandum has been prepared for the exclusive purpose of assisting prospective investors in assessing the merits and risks of investing in the Fund, and constitutes an offer to you only if the General Partner has entered your name on the cover page hereof. In the absence of the General Partner's express prior written consent, you may not copy, use or transmit this Memorandum or any data or information contained herein, in whole or in part, or permit such action by others for any purpose (except that if you are an authorized recipient of this Memorandum, you may provide copies of this Memorandum or portions here of to your legal, tax, financial and other advisers for the purpose of assisting you in determining whether an investment in the Fund is appropriate for you). You must promptly return this Memorandum and any other materials you receive relating to this offering to the General Partner upon its request.

Prospective investors should not construe the contents of this Memorandum as legal, tax, financial or other advice or as a recommendation to subscribe for, purchase, hold or dispose of Interests. **Each prospective investor should consult his or her independent professional advisers in assessing the merits and risks of investing in the Fund.** Prospective investors and their advisers must rely on their own examination of the Fund, the Interests and the terms of this offering in assessing such merits and risks. In doing so, they should carefully review this Memorandum and consider the following:

An investment in the Fund should be considered speculative and involves substantial risk due to, among other things, the nature of the Fund's investment program, the significant fees and costs associated with such an investment and the illiquidity of Interests. No person should invest in the Fund unless he or she has no need for immediate liquidity with respect to such investment, is fully able to bear the financial risk of such investment for an indefinite period of time and is fully able to sustain the possible loss of the entire amount invested. In light of this financial risk, a prospective investor should consider an investment in the Fund as a long-term investment that is appropriate only for a limited portion of his or her overall portfolio.

The Fund and the General Partner urge prospective investors to carefully consider the special considerations and risk factors relating to an investment in the Fund, as described in §6, "RISK FACTORS," and in other sections of this Memorandum, as well as the actual and potential conflicts of interest to which the General Partner and its principals will be subject in managing the business and affairs of the Fund and in making allocation and reallocation decisions for the Fund as described in §7, "CONFLICTS OF INTEREST," and in other sections of this Memorandum.

This Memorandum summarizes certain provisions of the Fund's governing documents and material agreements, as well as certain provisions of applicable statutes, rules and regulations. These summaries do not purport to describe or explain every provision of the Fund's governing documents or material agreements or every provision of applicable statutes, rules or regulations, but only those provisions that the General Partner believes are likely to be of greatest interest to prospective investors. Further, each summary is intended to be brief and does not purport to provide a detailed description or explanation of the limited topic it covers. This Memorandum is therefore qualified in its entirety by the full text of the Fund's governing documents and material agreements, which prospective investors should read in their entirety for a more complete understanding of the Fund and the Interests. Copies of the Fund's Limited Partnership Agreement (the "**LPA**") and the form of Subscription Agreement and Limited Power of Attorney (the "**Subscription Agreement**") pursuant to which investors become Limited Partners of the Fund ("**Limited Partners**") are attached to this Memorandum. Copies of the Fund's other material agreements are available from the General Partner upon request. The Fund assumes that each prospective investor is familiar with applicable statutes, rules and regulations.

In addition, the General Partner invites each prospective investor and its representatives to review any materials that are available to it relating to this offering. The General Partner will afford each prospective investor and its representatives the opportunity to ask it questions regarding this offering and to obtain any additional information necessary to verify the accuracy of any representations or information set forth in this Memorandum to the extent the General Partner possesses such information or can acquire and provide it without unreasonable effort or expense. Please direct any questions regarding this Memorandum to Mr. Tyk Sullivan. Accordingly, any information given or representation made by any dealer, salesman or other person and (in such case) not contained herein should be regarded as unauthorized and should not be relied upon.

Neither the delivery of this Memorandum nor the offer, issue or sale of Interests shall, under any circumstances, constitute a representation that the information contained in this Memorandum is correct at any time subsequent to the date of this Memorandum.

A "**Business Day**" is any day (except Saturday or Sunday) on which the New York Stock Exchange is open for business.

NOTICES FOR INVESTORS

JURISDICTIONAL NOTICES

The National Securities Markets Improvement Act ("NSMIA") amended Section 18 of the Securities Act of 1933 to exempt from state regulation any offer or sale of covered securities exempt from registration pursuant to Commission rules or Regulations issued under Section 4(2) and 4(6) of the Securities Act of 1933. The Company claims qualification pursuant to Section 18(b)(4)(d) and/or Section 18(b)(3) of the Federal Securities Act of 1933, as amended (the "Act") and, as such, these securities are considered to be "covered securities" pursuant to the Act.

NASAA UNIFORM LEGEND

In making an investment decision, investors must rely on their own examination of the person or entity creating the securities and the terms of this offering, including the merits and risks involved. These securities have not been recommended by federal or state securities commissions or regulatory authorities. 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 will be required to bear the financial risks of this investment for an indefinite period of time.

BLUE SKY NOTICES

It is anticipated that the securities described herein may be offered for sale in several states. The securities blue sky laws of some of those states require that certain conditions and restrictions relating to the offering be disclosed. A description of the relevant conditions and restrictions required by the states in which the company may offer its securities for sale is set forth below, or attached.

UNREGISTERED UNITS

The offer and sale of the Units have not been registered with or approved or disapproved by the Securities and Exchange Commission (the "SEC") or the securities commission or regulatory authority of any state or foreign jurisdiction, nor has the SEC or any such state or foreign securities commission or regulatory authority passed upon the accuracy or adequacy of this Memorandum. Any representation to the contrary is a criminal offense.

The Units have not been registered under the Securities Act, the securities laws of any state or the securities laws of any other jurisdiction, nor is such registration contemplated. The Units will be offered and sold under the exemption provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder and other exemptions of similar import in the laws of the states and jurisdictions where the offering will be made. The Fund will not be registered as an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act").

There is no public market for the Units and no such market is expected to develop in the future. The Units are subject to substantial restrictions on transfer and resale and therefore, may not be sold or transferred (i) except as permitted under the limited liability company agreement of the Fund (as amended or restated from time to time, the "Operating Agreement") and (ii) unless they are registered under the Securities Act and under any other applicable securities laws or an exemption from such registration thereunder is available.

RISK CONSIDERATIONS TO AN INVESTMENT IN THE FUND

The Units offered hereby are speculative and involve a significant degree of risk. Investment in the Fund is suitable only for sophisticated investors and requires the financial ability and willingness to accept the high risks and limited liquidity inherent in the Units. There can be no assurance that the Fund will be successful or that losses will not be incurred by the Fund. Each investor in the Fund ("Member") must have the ability to bear the risk of loss of his, her or its entire investment. Investors in the Fund must be prepared to bear such risks for an extended period of time. No assurance can be given that the Fund's investment objectives will be achieved or that investors will receive a return of their capital. Please refer to the more specific information contained herein, particularly Section VII: Risk Factors

ENGAGE OWN ADVISORS

In making an investment decision, investors must rely on their own examination of the Fund and the terms of this offering, including the merits and risks involved. Prospective investors should not construe the contents of this Memorandum as legal, tax, investment or accounting advice, and prospective investors are urged to consult with their own advisors with respect to the legal, tax, regulatory, financial, accounting and other consequences of their investment in the Fund.

By accepting delivery of this Memorandum, prospective investors recognize and accept the need to conduct their own thorough investigation, including consulting their own legal and tax advisors, and to exercise their own due

diligence before considering an investment in the Fund. This Memorandum and related documents, as well as the nature of the investments, should be reviewed by each prospective investor's investment advisor, accountant and/or legal counsel.

Each prospective investor and his, her or its agents are invited to meet with representatives of the Fund and to discuss with, ask questions of, and receive answers from, such representatives concerning the terms and conditions of the offering of Units, and to obtain any additional information, necessary to verify the information contained herein, to the extent that such representatives possess such information or can acquire it without unreasonable effort or expense. Prospective investors should not subscribe for Units unless they are satisfied that they or their representatives have asked for and received all information that would enable them to evaluate the merits and risks of the proposed investment. It is the responsibility of persons wishing to subscribe for Units to make themselves aware of and to observe all applicable laws and regulations of any relevant jurisdiction.

NOTICE TO U.S. INVESTORS
NOTICE REQUIREMENTS IN STATES WHERE UNITS MAY BE SOLD ARE AS FOLLOWS:

1. For Alabama residents: these securities are offered pursuant to a claim of exemption under the Alabama securities act. A registration statement relating to these securities has not been filed with the Alabama securities commission. The commission does not recommend or endorse the purchase of any securities, nor does it pass upon the accuracy or completeness of any private placement memorandum. Any representation to the contrary is a criminal offense. The purchase price of the interest acquired by a non-accredited investor residing in the state of Alabama may not exceed 20% of the purchaser's net worth.

2. For Alaska residents: the securities offered have not been registered with the administrator of securities of the state of Alaska under provisions of 3 AAC 08.500-3 AAC 08,506. The investor is advised that the administrator will make only a cursory review of the registration statement and has not reviewed this document since the document is not required to be filed with the administrator. The fact of registration does not mean that the administrator has passed in any way upon the merits, recommended, or approved the securities. Any representation to the contrary is a violation of a. S. 45.55.170. The investor must rely on the investor's own examination of the person or entity creating the securities and the terms of the offering, including the merits and risks involved, in making an investment decision on these securities.

3. For Arizona residents: the securities offered have not been registered under the securities act of Arizona, as amended, and are offered in reliance upon an exemption from registration pursuant to A.R.S. section 44-1844(1). The securities cannot be resold unless registered under the act or pursuant to an exemption from registration.

4. For Arkansas residents: these securities are offered pursuant to a claim of exemption under section 14(b)(14) of the Arkansas securities act and section 4(2) of the securities act of 1933. A registration statement relating to these securities has not been filed with the Arkansas securities department or with the Securities and Exchange Commission. Neither the department nor the commission has passed upon the value of these securities, made any recommendations as to their purchase, approved or disapproved the offering, or passed upon the adequacy or accuracy of this memorandum. Any representation to the contrary is unlawful. The purchase price of the interest acquired by an unaccredited investor residing in the state of Arkansas may not exceed 20% of the purchaser's net worth.

5. For California residents: these securities have not been registered under the securities act of 1933, as amended, or the California corporations code, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

6. For Colorado residents: these securities have not been registered under the securities act of 1933, as amended, or the Colorado securities act of 1981, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

7. For Connecticut residents: these securities have not been registered under section 36-485 of the Connecticut uniform securities act and therefore cannot be resold unless they are registered under such act or unless an exemption from registration is available. Connecticut has adopted the accredited investor exemption. A single form must be filed within 15 days after the first sale in the state.

8. For Delaware residents: these securities have not been registered under the Delaware securities act and are offered pursuant to a claim of exemption under section 7309(b)(9) of the Delaware securities act and rule 9(b)(9)(11) thereunder. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered under the act or an exemption is available.

9. For District of Columbia residents: these securities have not been registered under the District of Columbia securities act since such act does not require registration of securities issues. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

10. For Florida residents: these securities have not been registered under the securities act of 1933, as amended, or the Florida securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or exemption from registration is available. The securities referred to herein will be sold to, and acquired by, the holder in a transaction exempt under section 517.061 of the Florida securities act. The Shares have not been registered under said act in the state of Florida. In addition, all Florida residents shall have the privilege of voiding the purchase within three (3) days after the first tender of consideration is made by such purchaser to the issuer, an agent of the issuer, or an escrow agent or within three (3) days after the availability of that privilege is communicated to said purchaser, whichever occurs later.

11. For Georgia residents: these securities have not been registered under securities act of 1933, as amended, or section 10-5-5 of the Georgia securities act of 1973 and are being sold in reliance upon exemption s therefrom. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available. The investment is suitable if it does not exceed 20% of the investor's net worth.

12. For Hawaii residents: these securities have not been registered under the securities act of 1933, as amended, or the Hawaii uniform securities act (modified), by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

13. For Idaho residents: these securities have not been registered under the Idaho securities act (the "act") and may be transferred or resold by residents of Idaho only if registered pursuant to the provisions of the act or if an exemption from registration is available. The investment is suitable if it does not exceed 10% of the investor's net worth.

14. For Illinois residents: these securities have not been approved or disapproved by the secretary of state of Illinois or the state of Illinois, nor has the secretary of state of Illinois or the state of Illinois passed upon the accuracy or adequacy of this memorandum. Any representation to the contrary is a criminal offense.

15. For Indiana residents: these securities have not been registered under section 3 of the Indiana blue sky law and are offered pursuant to an exemption pursuant to section 23-2-1-2(b)(10) thereof and may be transferred or resold only if subsequently registered or if an exemption from registration is available. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. Indiana requires investor suitably standards of a net worth (exclusive of home, furnishings, and automobiles) of three times the investment but not less than $75,000 or a net worth (exclusive of home, furnishings, and automobiles) of twice the investment but not less than $30,000 and gross income of $30,000.

16. For Iowa residents: these securities have not been registered under the Iowa uniform securities act (the "act") and are offered pursuant to a claim of exemption under section 502.203(9) of the act requiring sales to accredited investors only. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

17. For Kansas residents: these securities have not been registered under the securities act of 1933, as amended, or the Kansas securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

18. For Kentucky residents: these securities have not been registered under the securities act of 1933, as amended, or the securities act of Kentucky, by reason of specific exemptions thereunder relating to an exemption for accredited investors. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

19. For Louisiana residents: these securities have not been registered under the securities act of 1933, as amended, or the Louisiana securities law, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available. The investment is suitable if it does not exceed 25% of the investor's net worth.

20. For Maine residents: these securities are being sold pursuant to an exemption from registration with the bank superintendent of the state of Maine under section 10502(2)(r) of title 32 of the Maine revised statutes. These securities may be deemed restricted securities and as such the holder may not be able to resell the securities unless pursuant to registration under state or federal securities laws or unless an exemption under such laws exists.

21. For Maryland residents: these securities have not been registered under the securities act of 1933, as amended, or the Maryland securities act, by reason of specific exemptions thereunder relating to an exemption for accredited investors. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

22. For Massachusetts residents: these securities have not been registered under the securities act of 1933, as amended, or the Massachusetts uniform securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

23. For Michigan residents: these securities have not been registered under section 451.701 of the Michigan uniform securities act (the "act") and may be transferred or resold by residents of Michigan only if registered pursuant to the provisions of the act or if an exemption from registration is available. The investment is suitable if it does not exceed 10% of the investor's net worth.

24. For Minnesota residents: the securities represented by this memorandum have not been registered under chapter 80a of the Minnesota securities laws and may not be sold, transferred, or not otherwise disposed of except pursuant to registration or an exemption therefrom.

25. For Mississippi residents: the securities, if offered, must be offered pursuant to a certificate of registration issued by the secretary of state of Mississippi pursuant to rule 477, which provides a limited registration procedure for certain offerings. The secretary of state does not recommend or endorse the purchase of any securities, nor does the secretary of state pass upon the truth, merits, or completeness of any offering memorandum filed with the secretary of state, any representation to the contrary is a criminal offense.

26. For Missouri residents: these securities have not been registered under the securities act of 1933, as amended, or the Missouri uniform securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

27. For Montana residents: these securities have not been registered under the securities act of 1933, as amended, or the securities act of Montana, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

28. For Nebraska residents: these securities have not been registered under the securities act of 1933, as amended, or the securities act of Nebraska, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

29. For Nevada residents: these securities have not been registered under the securities act of 1933, as amended, or the Nevada securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

30. For New Hampshire residents: these securities have not been registered under the securities act of 1933, as amended, or the New Hampshire uniform securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available. The investment is suitable if it does not exceed 10% of the investor's net worth.

31. For New Jersey residents: the attorney general of the state of New Jersey has not passed on or endorsed the merits of this offering. Nor has this document reflecting the within offering been filed with the bureau of securities or the department of law and public safety of the state of New Jersey. Any representation to the contrary is unlawful.

32. For New Mexico residents: these securities have not been approved or disapproved by the securities bureau of the New Mexico department of regulation and licensing, nor has the securities bureau passed upon the accuracy or adequacy of this memorandum, any representation to the contrary is a criminal offense.

33. For New York residents: these securities have not been registered under the securities act of 1933, as amended, or the New York fraudulent practices ("martin") act, by reason of specific exemptions thereunder relating to the limited availability, or otherwise disposed of to any person or entity unless subsequently registered under the securities act of 1933, as amended, or the New York fraudulent practices ("martin") act, if such registration is required. This private offering memorandum has not been filed with or reviewed by the attorney general prior to its issuance and use. The attorney general of the state of New York has not passed on or endorsed

the merits of this offering. Any representation to the contrary is unlawful. Purchase of these securities involves a high degree of risk. This private offering memorandum does not contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading; it contains a fair summary of the material terms of documents purported to be summarized herein.

34. For North Carolina residents: these securities have not been approved or disapproved by the Securities and Exchange Commission nor has the Securities and Exchange Commission or any state securities commission passed on the accuracy or adequacy of this memorandum. Any representation to the contrary is a criminal offense. In making an investment decision, investors must rely on their own examination of the issuer and the terms of the offering, including merits and risks involved. The 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 adequacy of this document. Any representation to the contrary is a criminal offense. The securities are subject to restrictions or transferability and resale and may not be transferred or sold except as permitted under the securities act of 1933, as amended, and the applicable statute securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. All purchasers must be purchasing for investment.

35. For North Dakota residents: these securities have not been approved or disapproved by the securities commissioner of the state of North Dakota nor has the commissioner passed upon the accuracy or adequacy of this memorandum. Any representation to the contrary is a criminal offense.

36. For Ohio residents: these securities have not been registered under the securities act of 1933, as amended, or the Ohio securities act, by reason of specific exemptions thereunder relating limitations in who may purchase those securities offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

37. For Oklahoma residents: the securities represented by this certificate have not been registered under the securities act of 1933, as amended, or the Oklahoma securities act. The securities have been acquired for investment and may not be sold or transferred for value in the absence of an effective registration of them under the securities act of 1933, as amended, and/or the Oklahoma securities act, or an opinion of counsel satisfactory to the issuer that such registration is not required under such act or acts.

38. For Oregon residents: the securities offered have not been registered with the corporation commissioner of the state of Oregon under provisions of oar 815 divisions 36. This document is not required to be filed with the commissioner. The investor must rely on the investor's own examination of the company creating the securities and the terms of the offering, including the merits and risks involved in making an investment decision on these securities.

39. For Pennsylvania residents: the Shares offered hereby have not been registered under section 201 of the Pennsylvania securities act of 1972 (the "act") and may be resold by residents of Pennsylvania only if registered pursuant to the provisions of that act or if an exemption from registration is available. Each person who accepts an offer to purchase securities exempted from registration by section 203(d),(f),(p), or (r), directly from an issuer or affiliate of an issuer, shall have the right to withdraw his acceptance without incurring any liability to the seller, underwriter (if any), or any other person within two business days from the date of receipt by the issuer of his written binding contract of purchase or, in the case of a transaction in which there is no written binding contract of purchase, within two business days after he/she makes the initial payment for the securities being offered. Neither the Pennsylvania securities commission nor any other agency has passed on or endorsed the merits of this offering, and any representation to the contrary is unlawful.

40. For Rhode Island residents: these securities have not been registered under the securities act of 1933, as amended, or the blue sky law of Rhode Island, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

41. For South Carolina residents: in making an investment decision, investors must rely on their own examinations of the person or entity creating the securities and 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 of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time.

42. For South Dakota residents: these securities have not been registered under chapter 47-31 of the South Dakota securities laws and may not be sold, transferred, or otherwise disposed of for value except pursuant to registration, exemption therefrom, or operation of law. Each South Dakota resident purchasing one or more Shares must warrant that he has either (1) minimum net worth (exclusive of home, furnishings and automobiles) of $30,000 and a minimum annual gross income of $30,000 or (2) a minimum net worth (exclusive of home, furnishings and automobiles) of $75,000. Additionally, each investor who is not an accredited investor or who is an accredited investor solely by reason of his net worth, income or amount of investment, shall not make an investment in the program in excess of 20% of his net worth (exclusive of home, furnishings and automobiles).

43. For Tennessee residents: these securities have not been registered under the securities act of 1933, as amended, or the Tennessee securities act of 1980, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

44. For Texas residents: these securities have not been registered under the securities act of 1933, as amended, or the Texas securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available. The investment is suitable if it does not exceed 10% of the investor's net worth.

45. For Utah residents: these securities have not been registered under the securities act of 1933, as amended, or the Utah uniform securities act, by reason of specific exemptions thereunder relating to the limited liability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

46. For Vermont residents: these securities have not been registered under the securities act of 1933, as amended, or the Vermont securities act, by reason of specific exemptions hereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

47. For Virginia residents: these securities have not been registered under the securities act of 1933, as amended, or the Virginia securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

48. For Washington residents: this offering has not been reviewed or approved by the Washington securities administrator, and the securities offered have not been registered under the securities act (the "act") of Washington chapter 21.20 RCW and may be transferred or resold by residents of Washington only if registered pursuant to the provisions of the act or if an exemption from registration is available. The investor must rely on the investor's own examination of the person or entity creating the securities and the terms of the offering, including the merits and risks involved, in making an investment decision on these securities.

49. For west Virginia residents: these securities have not been registered under the securities act of 1933, as amended, or the west Virginia uniform securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

50. For Wisconsin residents: these securities have not been registered under the securities act of 1933, as amended, or the Wisconsin uniform securities law, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available.

51. For Wyoming residents: these securities have not been registered under the securities act of 1933, as amended, or the Wyoming uniform securities act, by reason of specific exemptions thereunder relating to the limited availability of the offering. These securities cannot be sold, transferred, or otherwise disposed of to any person or entity unless they are subsequently registered or an exemption from registration is available. Wyoming requires investor suitability standards of $250,000 net worth (exclusive of home, furnishings, and automobiles), and an investment that does not exceed 20% of the investor's net worth.

NOTICE TO NON-U.S. RESIDENTS

The distribution of this Memorandum and the offer and sale of the Units in certain jurisdictions outside the United States may be restricted by law. This Memorandum does not constitute an offer to sell or the solicitation of an offer to buy in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. Prospective Non-U.S. investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of the Units, and any foreign exchange restrictions that may be relevant thereto.

FUND DIRECTORY

The Fund:

PLUTUS CAPITAL, LP

Registered Office	**Principal Business Office**
c/o Registered Agents, Inc 1942 Broadway St Ste 314C Boulder CO 80302	210 Cory Lane Cottage Grove, WI 53527
General Partner of the Fund	**Legal Counsel to the Fund**
Plutus Fund Management, LLC c/o Registered Agents Inc 30 N Gould St Ste R Sheridan WY	Adam S. Tracy The Tracy Firm, Ltd. 141 W. Jackson Blvd Suite 2172 Chicago, IL 60614
Administrator of the Fund	**Principal Buiness Office**
Wilshire West, LLC c/o The Tracy Firm, Ltd. 141 W. Jackson Blvd Suite 2172 Chicago, IL 60614	**Plutus Capital LP.** **8410 Greenway Blvd, Middleton, WI 53562**

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SUMMARY OF PRINCIPAL TERMS

This Summary of Principal Terms summarizes various features of the Fund, some of which are discussed in greater detail in other sections of this Memorandum. This Summary is qualified in its entirety by those other sections.

In addition, this Memorandum summarizes certain provisions of the governing documents and contractual agreements relating to the Fund, as well as certain provisions of applicable statutes, rules and regulations. These summaries are intended to be brief and do not purport to provide detailed descriptions or explanations of the topics they cover.

Moreover, this Memorandum does not summarize every provision of the governing documents and contractual agreements relating to the Fund, but only those provisions that the Fund believes are likely to be of greatest interest to prospective investors. This Memorandum is therefore qualified in its entirety by the full text of those documents and agreements, which you should read in their entirety for a more complete understanding of the Fund and the Interests.

Copies of form of the LPA and the form of the Subscription Agreement are attached to this Memorandum. Copies of the Fund's other contractual agreements are available from the General Partner upon request.

GENERAL

The Fund Plutus Capital, LP. is a Colorado limited partnership. The Fund was organized on October 22, 2018.

The General Partner Plutus Fund Management, LLC, a Wyoming limited liability company, incorporated on October 22, 2018, serves as the Fund's general partner.

In its capacity as the general partner of the Fund, the General Partner will have overall responsibility for managing and administering the business and affairs of the Fund.

See §2, "MANAGEMENT – *the General Partner.*"

INVESTMENT OBJECTIVE AND STRATEGIES; RISK AND RISK MANAGEMENT

Investment Objective and Strategy The Fund's investment objective is to achieve superior returns by investing in cryptocurrencies.

See §3, "INVESTMENT OBJECTIVE AND STRATEGY."

Risk and Risk Management Although the General Partner will use what it considers to be seasoned investment research techniques and risk management strategies in lending and investing the Fund's assets, an investment in the Fund – which, as discussed above, should be

considered speculative and involves substantial risk. **There can be no guarantee that the Fund will achieve its investment objectives or not sustain losses.** See §6, "RISK FACTORS."

THE OFFERING OF INTERESTS

Eligible Investors

You may not invest in the Fund unless you are an "accredited investor" as defined in Rule 501(a) of Regulation D ("**Regulation D**") under the Securities Act of 1933, as amended (the "**Securities Act**"). The Subscription Agreement contains concise descriptions of the types of investors that qualify as "accredited investors" and "qualified purchasers."

Minimum Contribution Capital Sought

If you wish to become a Limited Partner, you must make an initial investment in the Fund of at least $1,000, payable in United States Dollars only. The General Partner may raise or lower this requirement from time to time and accept initial capital contributions below the established minimum in its discretion.

Capital Sought

There is no minimum amount of capital that the Fund must receive as a condition to commencing its operations, and at present there is no maximum amount of capital the Fund may accept from investors. However, the General Partner may, in its discretion, limit the amount of capital the Fund may accept from investors.

Initial Offering Period

The General Partner expects that the Fund's initial offering period (the "**Initial Offering Period**") will terminate on or about March 31, 2021, but may defer the termination of the Initial Offering Period in its discretion to a date not later than December 31, 2021. The day on which the Fund first issues Interests pursuant to this Memorandum is referred to herein as the "**Initial Closing**."

Continuous Offering Period After the termination of the Initial Offering Period, the General Partner may in its discretion accept subscriptions for additional Interests, and permit existing Limited Partners to contribute additional capital to the Fund, as of the first Business Day of each month or on such other day or days as the General Partner may from time to time determine. The General Partner, however, may suspend the offering of Interests from time to time or terminate the offering of Interests at any time in its discretion.

Use of Proceeds The Fund will use the proceeds of the offering of its Interests for the purpose of executive its investment strategy and to pay certain Fund expenses. See §4, "EXPENSES, MANAGEMENT FEES AND INCENTIVE ALLOCATIONS – *Expenses*."

Subscription Procedures If you wish to become a Limited Partner, you must complete and execute a Subscription Agreement and deliver it (via email, fax and mail) to the Fund at the addresses set forth above A copy of the Subscription Agreement is attached to this Memorandum as an exhibit, and an "execution ready" copy of that document accompanies this Memorandum.

If the Fund, in the General Partner's discretion, accepts your Subscription Agreement (whether in respect of the full subscription amount or only part thereof), you must transmit your subscription funds to the Fund by wire transfer in accordance with the General Partner's instructions no later than three (3) Business Days before the relevant investment date (subject to waiver by the General Partner in its discretion). The subscription amount may not be paid in any fiat currency or cryptocurrency other than Ether.

Your execution of a Subscription Agreement constitutes a binding offer to purchase the Interest subscribed for thereunder and an agreement to hold your offer open until your subscription is accepted (in whole or in part) or rejected by the Fund. Your execution of the Subscription Agreement and its acceptance by the Fund together constitute your agreement to be bound by the terms of the Subscription Agreement and the Limited Partnership Agreement. The General Partner, on behalf of the Fund, reserves the right to accept or reject your Subscription Agreement, and any additional capital contribution you may wish to make to the Fund, in whole or in part, in its discretion.

CAPITAL ACCOUNTS AND ECONOMIC ALLOCATIONS

Capital Accounts The Fund will determine a Limited Partner's economic interest in the Fund by establishing a capital account for each capital contribution made by such Limited Partner ("**Account**" or "**Capital Account**"). The Fund generally will credit a Limited Partner's Capital Account with: (i) such Limited Partner's capital contribution to that Account and (ii) such Account's *pro rata* share of the Fund's economic profits, both realized and unrealized, and debit such Account with (i) any distributions to or withdrawals by such Limited Partner from such Account, (ii) such Account's *pro rata* share of the Fund's economic losses, both realized

and unrealized, (iii) such Account's *pro rata* share of the Fund's expenses, (iv) the Management Fees charged against such Account and paid to the General Partner (discussed below) and (v) the Incentive Allocations charged against such Account and allocated to the General Partner (discussed below).

For a more complete description of Capital Accounts, including the manner in which the Fund allocates profits and losses for federal income tax purposes, see Article VII of the LPA.

EXPENSES; MANAGEMENT FEES AND INCENTIVE ALLOCATIONS; SALES CHARGES

Expenses

The General Partner is responsible for all salaries, bonuses and employee benefit expenses of its principals and employees who are involved in the management and conduct of the business and affairs of the Fund (as well as related overhead, including office space and equipment, utilities and other similar items), except as otherwise described herein.

The Fund generally will bear all other costs and expenses associated with its organization, the offering of Interests and its ongoing operations.

The Fund's organizational costs and expenses, together with offering costs and expenses incurred in connection with the offer and sale of Interests issued at the Initial Closing, are not expected to exceed $30,000. The General Partner will initially bear these costs and will be reimbursed therefore by the Fund in equal monthly installments over a twelve (12) month period beginning as of the end of the month in which the Initial Closing occurs. If the Fund ceases operations prior to the end of this twelve (12) month period, it will have no further reimbursement obligations to the General Partner, and no Limited Partner who completely withdraws from the Fund prior to the end of such period shall bear any additional portion of this reimbursement. The Fund does not expect that ongoing offering costs after the Initial Offering Period will be significant.

The Fund's direct operational costs and expenses are expected to consist primarily of (i) Management Fees (defined below); (ii) all administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance and consulting costs and expenses; fees, costs and expenses of third-party service providers that provide such services; (iii) costs and expenses associated with preparing investor communications, printing and mailing costs; (iv) insurance costs and expenses; (v) governmental licensing, filing and exemption fees; (vi) indemnification obligations and (vii) any extraordinary expenses.

For a more complete description of the expenses of the Fund, see §4, "EXPENSES; MANAGEMENT FEES AND INCENTIVE ALLOCATIONS – *Fund Expenses*"

Management Fees

The Fund will ordinarily pay the Manager a management fee, in advance (the

"Management Fee"), in an amount equal to four (4%) percent of the net asset value of each Limited Partner capital account(s) as of the date of subscription and continuing on the first day of each year thereafter (approximately 4.0% annually).For a more complete description of the Management Fees, see §4, "EXPENSES, MANAGEMENT FEES AND INCENTIVE ALLOCATIONS – *Management Fees*."

Incentive Allocations

As of the last Business Day of each calendar quarter and as of any date on which a Limited Partner makes a withdrawal or receives a distribution from such Limited Partner's Capital Account(s) (an **"Incentive Allocation Calculation Date**"), the Fund ordinarily will charge against the Capital Account of a Limited Partner, and credit to the General Partner's Capital Account an incentive allocation (the "**Incentive Allocation**") in an amount equal to 40% of the Net New Profit in each Capital Account (or solely the Capital Account relating to such withdrawal or distribution, as applicable). "**Net New Profit**" is any amount by which the NAV of a Limited Partner's Capital Account exceeds the High Water Mark for such Account. The "**High Water Mark**" for a Capital Account is the NAV of such Account immediately after the assessment of the most recent Incentive Allocation (deducting the amount of any withdrawals or distributions since such assessment) or, if the Account has never been assessed an Incentive Allocation, the NAV of such Account when it was established (deducting the amount of any withdrawals or distributions since it was established).

The High Water Mark for a Limited Partner's Capital Account is calculated net of the Incentive Allocations charged against such Account. This means that the General Partner is not required to "restore" the amount of any Incentive Allocation charged against a Limited Partner's Capital Account before participating in future appreciation in the value of such Account in accordance with the formula described above.

Although the High Water Mark for an Account carries forward from quarter to quarter until exceeded, the General Partner is not required to "repay" any Incentive Allocation paid to it in the event such Account subsequently experiences losses.

For a more complete explanation of the Incentive Allocations, see §4, "EXPENSES, MANAGEMENT FEES AND INCENTIVE ALLOCATIONS – *Incentive Allocations*."

LIQUIDITY: DISTRIBUTIONS, WITHDRAWALS AND TRANSFERS

Distributions

The Fund is not designed to generate a regular or fixed stream of income, and does not anticipate making distributions to Limited Partners. The Fund ordinarily will reinvest its income, which will be reflected in the value of the Capital Accounts. If the Fund makes distributions, it generally will make them to the Limited Partners *pro rata* in accordance with their respective Capital Account balances. Distributions may be in cash, "in kind" (*e.g.*, in the form of portfolio cryptocurrencies of the Fund) or a

combination of the two.

Withdrawals

Voluntary Withdrawals. A Limited Partner may generally withdraw all or any part of the balance of any Capital Account of such Limited Partner as of the last Business Day of any calendar quarter, upon not less than sixty (60) calendar days prior written notice to the General Partner; provided, however, that if such Capital Account has been in existence for less than one (1) year, the General Partner will charge a withdrawal fee of equal to 5.0% of the withdrawal proceeds (payable 40% to the Fund and 60% to the General Partner).

Compulsory Withdrawals. The General Partner may require any Limited Partner to withdraw all or any portion of such Limited Partner's Capital Account(s) as of any date by giving not less than ten (10) calendar days prior written notice to such Limited Partner. The General Partner may also require withdrawals without notice for certain tax and regulatory reasons.

Payments on Withdrawal. The Fund ordinarily will pay not less than 90% of the proceeds payable to an investor in connection with a withdrawal within thirty (30) calendar days following the end of the quarter after the effective date of such withdrawal. Any outstanding balance will be paid as soon as is reasonably practicable following the completion of the Fund's annual audit for the year in which such withdrawal was effective.

Withdrawal proceeds payable in connection with a withdrawal effected at a time other than as of the end of a calendar quarter are reduced by the amount of the Incentive Allocation (if any) charged in connection with such withdrawal. The Fund may pay withdrawal proceeds in cash, "in kind" or a combination of the two.

Suspensions of Withdrawals. The General Partner may cause the Fund to temporarily suspend withdrawals and withdrawal payments in certain limited circumstances.

See §5, "WITHDRAWALS," and Article VI of the LPA for a more complete description of the provisions governing withdrawals, including the limited circumstances under which the General Partner may temporarily suspend withdrawals and withdrawal payments and require Limited Partners to withdraw without notice.

Transfers

The Fund has not registered or qualified the Interests for offer or sale under the Securities Act or the securities laws of any state or any other jurisdiction. The Fund is offering and selling Interests by way of a "private placement" exempt from the registration requirements of the Securities Act and applicable state securities laws pursuant to Rule 506 of Regulation D and comparable state law exemptions. Investors may not transfer their Interests except in transactions that are exempt from, or not subject to, the registration requirements of the Securities Act and other applicable securities laws.

Investors who wish to transfer their Interests must also comply with the restrictions on and conditions applicable to transfer set forth in the Limited Partnership Agreement. Among other things, an investor may not transfer an Interest without the General Partner's consent, which the General Partner may withhold in its discretion.

Interests will not be listed on any exchange, and no public or liquid market for Interests otherwise exists or is likely to develop.

Accordingly, an investor may not be able to liquidate its Interest in the event of a financial emergency or use its Interest as collateral for a loan. As a practical matter, an investor will be able to dispose of its Interest only through withdrawals from its Capital Account(s), subject to the limitations on withdrawals described herein.

For a more complete description of the restrictions on transfers of Interests, see Section 5.5 of the LPA.

OTHER

Limited Liability A Limited Partner generally will have no liability for the Fund's debts or obligations beyond the value of its Capital Account(s) plus, under certain circumstances, the amounts of any withdrawals and any other distributions from such Account(s).

Tax Considerations The Fund expects to be treated as partnerships (not as an association taxable as corporations or as "publicly traded partnerships" taxable as corporations) for federal income tax purposes

and, therefore, do not expect to be subject to federal income tax. All items of the Fund's income, gain, deduction, loss and credit will pass through to its investors for federal income tax purposes, and investors will be subject to income tax each year on their respective allocable shares of the Fund's income or gains (if any), even though the Fund does not intend to make any distributions to them.

The federal income tax consequences of an investment in the Fund are complex. A majority of the Fund's taxable income could consist of short-term capital gain and/or dividend and interest income. There are certain limitations on the deductibility of Fund losses by investors as well as limitations on deductions for certain expenses. In addition, the Fund and its investors may be subject to state and local taxes.

Fiscal Year; Accounting Matters

Potential investors should carefully review §8, "CERTAIN FEDERAL INCOME TAX CONSIDERATIONS," for a summary of certain material U.S. federal income tax principles and tax risks that are likely to apply to the Fund and its Limited Partners.

The Fund's fiscal year will be the calendar year, unless the General Partner determines otherwise. The Fund will keep its financial books under the accrual method of accounting, and, as to matters not specifically described herein or in the Limited Partnership Agreement, in accordance with generally accepted accounting principles consistently applied.

Reports

As soon as reasonably practicable after the end of each calendar month, the Fund will provide to each Limited Partner a report reflecting the estimated NAV of such Limited Partner's Capital Account(s) as of the end of such month as compared with the end of the previous calendar month.

As soon as reasonably practicable after the end of each calendar year, the Fund will provide to each Limited Partner an audited balance sheet of the Fund as of the end of such year and audited statements of income and changes in financial position of the Fund for such year.

As soon as practicable after the end of each calendar year, the Fund will provide each Limited Partner with such tax information and schedules as are necessary to enable such Limited Partner to prepare its federal income tax return.

Auditors

The General Partner will be charged with retaining an auditor for the Fund. To date, such appointment has not been made. Such an appointment is not a requirement of the Fund.

MANAGEMENT

The General Partner

Plutus Fund Management, LLC, a Wyoming limited liability company, is the Fund's general partner.

The General Partner possesses full and exclusive right, power and authority to manage and conduct the business and affairs of the Fund. In managing and conducting the business and affairs of the Fund, the General Partner may take such actions and engage in such transactions for and on behalf of the Fund as the General Partner may determine to be necessary, appropriate, advisable, incidental or convenient to affect the formation of the Fund, carry on its business and realize its objective.

The General Partner is responsible for conducting the General Partner's day-to- day activities. The General Partner is responsible for managing the Fund and providing investment management services to the Fund.

Exculpation and Indemnification of the General Partner

The LPA provides that, to the extent the General Partner has duties (including fiduciary duties) and liabilities relating thereto to the Fund or any Limited Partner, the General Partner shall not be liable for monetary or other damages to the Fund or such Limited Partner for the General Partner's good faith reliance on the provisions of the LPA for: (i) losses sustained or liabilities incurred by the Fund or such Limited Partner as a result of errors or mistakes in judgment on the part of the General Partner, or any act or omission of the General Partner, except to the extent that it is Judicially Determined (as defined below) that an act or omission of the General Partner was material to the matter giving rise to such losses or liabilities and that such act or omission constituted criminal wrongdoing, willful misfeasance, bad faith or gross negligence on the part of the General Partner; (ii) errors or mistakes in judgment on the part of any person, or any act or omission of any person, selected by the General Partner to perform services for or otherwise transact business with the Fund, except to the extent that it is Judicially Determined that such selection involved criminal wrongdoing, willful misfeasance, bad faith or gross negligence on the part of the General Partner and was material to the matter giving rise to such losses or liabilities; or (iii) circumstances beyond the General Partner's control, including changes in tax or other laws, rules or regulations or the bankruptcy, insolvency or suspension of normal business activities of any broker-dealer, bank or other financial institution holding assets of the Fund.

The LPA also provides that to the extent any affiliate of the General Partner, or any shareholder, partner, member, director, officer, employee or agent of the General Partner or of any of its affiliates, has duties (including fiduciary duties) and liabilities relating thereto to the Fund or any Limited Partner, such person shall not be liable for monetary or other damages to the Fund or such Limited Partner for such person's good faith reliance on the provisions of the LPA or the governing documents of the Fund or for losses sustained or liabilities incurred by the Fund or such Limited Partner, except to the extent that it is Judicially Determined that an act or omission of such person was material to the matter giving rise to such losses or liabilities and that such act or omission constituted criminal wrongdoing, willful misfeasance or bad faith on the part of such person.

Pursuant to the LPA, the Fund will, to the fullest extent permitted by law, indemnify each General Partner Associate – *i.e.*, the General Partner, each of its affiliates, and each shareholder, partner, member, director, officer, employee or agent of the General Partner or of any of its affiliates – against any

and all Losses (defined below), except to the extent that it is Judicially Determined that an act or omission of such General Partner Associate was material to the matter giving rise to such Losses and that such act or omission constituted criminal wrongdoing, willful misfeasance, bad faith or gross negligence on the part of such General Partner Associate (if such General Partner Associate is the General Partner), or criminal wrongdoing, willful misfeasance or bad faith on the part of such General Partner Associate (if such General Partner Associate is a General Partner Associate other than the General Partner).

For purposes of the foregoing, "**Losses**" of a General Partner Associate mean any and all losses, damages, liabilities, costs, expenses (including reasonable legal fees and costs and expenses), judgments, fines, amounts paid in settlement, and other amounts actually and reasonably paid or incurred by such General Partner Associate in connection with any and all proceedings that arise from or relate, directly or indirectly, to acts or omissions (or alleged acts or omissions) of such General Partner Associate in connection with the LPA or the business or affairs of the Fund and in which such General Partner Associate may be involved, or is threatened to be involved, as a party, witness, deponent or otherwise, whether or not the same shall proceed to judgment or be settled or otherwise be brought to a conclusion. "**Judicially Determined**" means determined in a judgment or order, not subject to further appeal or discretionary review, by a court, governmental body or agency or self-regulatory organization having jurisdiction to render or issue such judgment or order.

Notwithstanding the foregoing, no exculpation or indemnification of a General Partner Associate shall be permitted under the LPA to the extent such exculpation or indemnification would be inconsistent with the requirements of U.S. federal or state securities laws or other applicable law.

The Investment Management Agreement

The Fund has appointed the General Partner as its investment manager pursuant to the Investment Management Agreement and has agreed that, in that capacity, the General Partner shall possess the right, power and authority to take such actions for and on behalf of the Fund as the General Partner may reasonably determine to be necessary, appropriate, advisable, incidental or convenient in connection with pursuing the Fund's investment objective.

The Investment Management Agreement provides for exculpation and indemnification of the General Partner and the other General Partner Associates on terms that are virtually identical to the terms on which the Fund exculpates and indemnifies those persons. However, no exculpation or indemnification of a General Partner Associate shall be permitted under the Investment Management Agreement to the extent such exculpation or indemnification would be inconsistent with the requirements of U.S. federal or state securities laws or other applicable law.

The Investment Management Agreement has an indefinite term, but may be terminated by the General Partner or the Fund upon written notice to the other parties in the event of (i) material breach by another party,
(ii) bankruptcy or insolvency of another party, (iii) inability of another party for regulatory reasons to

perform its services or (iv) dissolution of the Fund. In addition, Plutus Fund Management, LLC may terminate the Investment Management Agreement upon 30 days notice to the Fund.

The Administrator

The Administrator – Wilshire West, LLC, acts as the Administrator of the Fund. The Administrator's principal office is located at 141 W. Jackson Suite 2172, Chicago, IL 60604

The Fund has entered into an agreement with the Administrator (the "**Administration Agreement**") under which the Administrator will, subject to any general policy laid down by the Fund, deal with the management and administration of the Fund.

The involvement of the Administrator as administrator of the Fund is not to be taken as an endorsement by the Administrator of either entity or their investment objectives or policies.

INVESTMENT OBJECTIVE AND STRATEGY

Investment Objective

The investment objective of the Fund is to achieve superior returns by investing in cryptocurrencies and Bullion (Gold & Silver). **No assurance can be given that the Fund will achieve its investment objective or that it will not sustain losses.**

Cryptocurrencies are generally blockchain based distributed digital ledgers with properties defined by software. They use cryptographic techniques to secure transactions and control the creation of new units (aka "coins"). Generally, the development and operation of cryptocurrencies happens through a decentralized network of people and machines, though not always.

Cryptocurrencies are considered a subset of digital currencies, alternative currencies and virtual currencies. They generally do not have physical bank notes or coins and are usually not issued by a government. Cryptocurrencies are used primarily outside of existing banking and governmental institution, and exchanged over the Internet. Cryptocurrencies are not backed by any government, fiat currency or commodity. Although in the early stages of development and acceptance, cryptocurrencies have the potential to challenge and disrupt more traditional systems of currency, payments, provisioning and value transfer.

The first Bitcoin was created in 2009 by pseudonymous developer Satoshi Nakamoto. In the ensuing years, the number of cryptocurrencies, market participants and companies in the space has increased dramatically. Well known cryptocurrencies include Bitcoin, Ethereum, Ripple, Bitcoin Cash, Litecoin and Dash. Cryptocurrencies are used for a variety and rapidly increasing set of purposes. The category and protocols are still being defined and evolving.

The year 2017 has been a noteworthy year for cryptocurrency because of both growth and fragmentation. On January 1, the aggregate market capitalization for cryptocurrencies was around $18 billion with daily trade volumes around $155 million. By April 30, 2018, the cryptocurrency market capitalization was around $424 billion with daily trade volumes around $30 billion. At the same time as this growth, there has been fragmentation in the cryptocurrency industry. As of April 2018, there were over 1,500 digital

currencies. Many are competing to best serve specific use cases while others are attempting to focus on completely new applications. Prior to 2017, Bitcoin had always been around 85% of the total market capitalization of all cryptocurrencies. In mid-2017, for the first time in history, Bitcoin dropped to around 50% as other cryptocurrencies have grown to meaningful value alongside it.[1]

Some startup companies have begun to use a practice referred to as initial coin offerings ("ICOs") as a way of introducing new cryptocurrencies or funding their efforts to introduce one. Investors who invest in ICOs purchase coins or other instruments issued by the company in order to access a product or service of such company. Coins can increase in value if the company is successful. Conversely, coins can become worthless if the start-up fails.

Cryptocurrency is still a small asset class but viewed by some as promising. It is an immature space with standards, best practices, track records, market volumes, and institutions still being developed.

Investment Strategy

The General Partner will seek to achieve the Fund's investment objectives by employing a variety of investment strategies to take advantage of profitable opportunities in the cryptocurrency markets. More specifically, strategies that may be used by the General Partner include those discussed below.

Long Investments in Cryptocurrency

Long positions involve buying a cryptocurrency in anticipation of receiving an attractive yield or price expansion in the short or over the long term. The General Partner's expertise in valuing cryptocurrencies and its understanding of the marketplace will be brought to bear in these situations.

Short Sales of Cryptocurrency

Short sales involve the Fund selling a cryptocurrency that it does not own in anticipation of a price decline. A short sale occurs when the Fund borrows a cryptocurrency from a third party. The Fund must repurchase the cryptocurrency at a later date in order to replace the cryptocurrency that was borrowed from the third party. This is known as covering the short position. If the price of the borrowed cryptocurrency has fallen, the cryptocurrency will be repurchased as a lower price than that at which it was initially sold, and the difference between the price the Fund paid to repurchase the borrowed cryptocurrency to cover its short position and the price at which the cryptocurrency was sold to the second party

(plus any interest rebate on the proceeds from the original short sale, less commission costs and other transaction expenses) will represent the Fund's profits. If the borrowed cryptocurrency is repurchased by the Fund at a higher price than that at which it was initially sold, the Fund will incur a loss.

It is important to note that short selling can be risky. To mitigate this risk and potential loss, the Fund will sell short cryptocurrencies that are overvalued in the marketplace.

With an intelligently purpose designed asset management plan included but not limited to; percent allocation to long holdings in long term investable projects with real utility. Diversification intended for asset protection, with percent allocation for large stable projects in comparison to new and innovative projects. Paired with active trading including shorts. Holdings of Gold and Silver, we intend to beat the market by multiples.

The General Partner will generally adhere to the following investment guidelines in implementing the investment objective and strategies of the Fund:

The General Partner will generally execute investment strategies in cryptocurrencies. In addition the Fund may interim cash balances in anticipation of additional investment in cryptocurrency. As well as holdings of Gold and Silver for potential devaluation of US Dollar.

The General Partner will use as a guideline for diversification that each security position in the portfolio will represent less than 35% of the Fund's assets. However, there may be periods during which this guideline is exceeded, particularly if the Fund's assets are not sufficient to effectively purchase round lot trades, certain Fund positions become illiquid or change in price significantly without sufficient time for the Manager to buy or sell positions, or if round lot trading is unavailable for purchase or sale of cryptocurrency.

EXPENSES, MANAGEMENT FEES AND INCENTIVE ALLOCATIONS

General

The Fund will pay such costs and expenses as the General Partner reasonably determines in good faith to be necessary, appropriate, advisable, incidental or convenient to effect the Fund's formation, promote or conduct the Fund's business or achieve the Fund's objectives. It is expected that the Fund will bear all costs and expenses associated with its organization, the offering of Interests and its ongoing operations, except as otherwise described below. The General Partner, however, may not cause the Fund to compensate the General Partner or its related persons except upon terms and conditions comparable to those that would be negotiated on an "arm's length" basis between unaffiliated parties for the type of service or transaction in question. For purposes of the foregoing, it shall conclusively be presumed that the Management Fees and Incentive Allocations described herein meet that standard.

Organizational and Offering Costs and Expenses

The Fund's organizational costs and expenses, together with offering costs and expenses incurred in connection with the offer and sale of Interests issued at the Initial Closing, are not expected to exceed $30,000. The General Partner will initially bear these costs and will reimbursed therefor by the Fund in equal monthly installments over a twelve (12) month period beginning as of the end of the month in which the Initial Closing occurs. If the Fund ceases operations prior to the end of this twelve (12) month period, it will have no further reimbursement obligations to the General Partner, and no Limited Partner who completely withdraws from the Fund prior to the end of such period shall bear any additional portion of this reimbursement. The Fund does not expect that ongoing offering costs after the Initial Offering Period will be significant.

Fund Expenses

The Fund's direct operational costs and expenses are expected to consist primarily of (i) Management Fees (defined below); (ii) all administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance and consulting costs and expenses; fees, costs and expenses of third- party service providers that provide such services; (iii) costs and expenses associated with preparing investor communications, printing and mailing costs; (iv) insurance costs and expenses; (v) governmental licensing, filing and exemption fees; (vi) indemnification obligations and (vii) any extraordinary expenses.

The General Partner's Overhead Expenses

The General Partner is responsible for all salaries, bonuses and employee benefit expenses of its related persons who are involved in the management and conduct of the business and affairs of the Fund (as well as related overhead, including office space and equipment, utilities, telephone and telecopier expenses, and other similar items).

Management Fees

The Fund will ordinarily pay the Manager a management fee, in advance (the "Management Fee"), in an amount equal to two (4%) percent of the net asset value of each Limited Partner capital account(s) as of the date of subscription and continuing on the first day of each year thereafter (approximately 4.0% annually).

The Management Fee is charged against the Capital Account to which it relates and thereby reduces the NAV of such Capital Account.

The Management Fee is charged regardless of whether the NAV of the Capital Accounts increase or decrease over time.

The General Partner may agree to a different Management Fee arrangement in respect of any Capital Account(s) of a Limited Partner, or waive or reduce the Management Fee in respect of any Capital Account(s) of a Limited Partner, in its sole discretion. This will not entitle the Limited Partner that holds such Account, or any other Limited Partner, to such a different arrangement, waiver or reduction in respect of any other Capital Account(s).

Incentive Allocations

As of the last Business Day of each calendar quarter and as of any date on which a Limited Partner makes a withdrawal or receives a distribution from such Limited Partner's Capital Account(s) (an **"Incentive Allocation Calculation Date**"), the Fund ordinarily will allocate to the General Partner an incentive allocation (the "**Incentive Allocation**") in an amount equal to 40.0% of the Net New Profit in the relevant Capital Account(s).

"**Net New Profit**" in the value of a Capital Account is the amount by which the NAV of such Capital Account exceeds the "**High Water Mark**" for such Account, which is the NAV of such Capital Account immediately after the assessment of the most recent Incentive Allocation (adjusted as described below for any withdrawals or distributions since such assessment) or, if the Account has never been assessed an Incentive Allocation, the NAV of such Account when it was established (adjusted as described below for any withdrawals or distributions since it was established).

If a Limited Partner withdraws capital from the Fund before a calendar quarter-end and such Limited Partner's Capital Account(s) has Net New Profit as of the effective date of such withdrawal, an Incentive Allocation shall be assessed against such Account (and allocated to the General Partner) in an amount equal to the relevant percentage (as described above) of such Net New Profit as of such effective date.

If a Limited Partner withdraws capital from a Capital Account at a time when the NAV of such Capital Account is less than the High Water Mark for such Account, the High Water Mark for the account shall be reduced proportionately to the withdrawal from such Account. Specifically, the High Water Mark for the Account will be multiplied by a fraction the numerator of which is the NAV of the Account immediately after the withdrawal and the denominator of which is the NAV of the Account immediately prior to the withdrawal.

If a Capital Account does not have Net New Profit as of the end of a particular calendar quarter, no Incentive Allocation is due in respect of such Account unless and until it experiences Net New Profit as of the end of a subsequent calendar quarter (or withdrawal date, as the case may be).

Like the Management Fee, the Incentive Allocated is assessed against the Limited Partner's Capital Account to which it relates and thereby reduces the NAV of such Account. Although the Incentive Allocation will be charged quarterly, it will be accrued and reflected in the NAV reported to Limited Partners on a monthly basis.

The determination of the Incentive Allocation is binding and conclusive on the Fund and its

Limited Partners.

Although the High Water Mark for a particular Account will carry forward from quarter to quarter until exceeded, the General Partner will not be required to repay any Incentive Allocation paid to it in respect of such Account in the event such Account subsequently declines in value.

The General Partner may agree to a different Incentive Allocation arrangement in respect of any Capital Account(s) of a Limited Partner, or waive or reduce the Incentive Allocation in respect of any Capital Account(s) of a Limited Partner, in its sole discretion. This will not entitle the Limited Partner that holds such Account, or any other Limited Partner, to such a different arrangement, waiver or reduction in respect of any other Capital Account(s).

Plutus Capital LP.

WITHDRAWALS

Voluntary Withdrawals

A Limited Partner may generally withdraw all or any part of the balance of any Capital Account of such Limited Partner as of the last Business Day of any calendar quarter, upon not less than ninety (90) calendar days prior written notice to the General Partner; provided, however, that if such Capital Account has been in existence for less than one (1) year, the withdrawal will be subject to a withdrawal fee equal to 2.5% of the withdrawal proceeds, this covers actual fees for withdrawal. (payable 40% to the Fund and 60% to the General Partner).

Unless the General Partner agrees otherwise in its discretion, a Limited Partner who requests a withdrawal from a Capital Account must submit such request to the Administrator in writing on the form most recently prescribed by the Administrator for that purpose (or in a form reasonably acceptable to the Administrator, if the Administrator has not prescribed a form for that purpose).

The General Partner may, as a condition to effecting a withdrawal from a Capital Account at the request of a Limited Partner, require such Limited Partner to: (a) make such representations and warranties to the Fund and the General Partner as the Administrator may reasonably request regarding matters such as such Limited Partner's status as the sole, true and lawful beneficial owner of such Account, its authority to make such withdrawal, its ability to make such withdrawal without any legal or contractual restriction and the lack of encumbrances on such Capital Account; and (b) obtain a signature guarantee from a recognized financial institution.

The General Partner, in its discretion, may agree to a withdrawal arrangement in respect of any Capital Account of a Limited Partner that is a substitute for that described above. No such substitute arrangement in respect of a particular Capital Account will entitle the Limited Partner that holds such Account, or any other Limited Partner, to such a substitute arrangement in respect of any other Capital Account. The General Partner also has the discretion to permit a Limited Partner to withdraw amounts from a Capital Account at times that differ from, and/or or upon notice periods that are shorter than, the time and notice periods described above. No such permission will entitle the Limited Partner that holds such Account, or any other Limited Partner, to such permission in respect of any other Capital Account.

Compulsory Withdrawals

The General Partner, in its discretion, may require any Limited Partner, to withdraw all or any portion of its Capital Account(s) as of any date by giving not less than ten (10) calendar days prior written notice to such Limited Partner.

The General Partner may at any time require any Limited Partner to withdraw all or any portion of its Capital Account(s) without notice to such Limited Partner if: (a) the General Partner determines that such Limited Partner, made a material misrepresentation to the Fund in connection with acquiring its Interest; (b) a legal or similar proceeding is commenced or threatened against the Fund or any other Limited Partner arising out of, or relating to, such Limited Partner's investment in the Fund; (c) such Limited Partner transferred its Interest (or any interest therein) in violation of the Limited Partnership Agreement or in a manner that has resulted in (or, in the General Partner's judgment, is likely to result in) an Adverse Regulatory Effect (as defined in Appendix A to the Limited Partnership Agreement); or (d) such Limited Partner's continuing ownership of an Interest (or interest therein) has resulted in (or, in the

General Partner's judgment, is likely to result in) an Adverse Regulatory Effect.

Payments on Withdrawals

The Fund ordinarily will pay not less than 90% of the proceeds payable to an investor in connection with a withdrawal within thirty (30) calendar days following the end of the calendar quarter after the effective date of such withdrawal. Any outstanding balance will be paid as soon as is reasonably practicable following the completion of the Fund's annual audit for the year in which such withdrawal was effective.

Withdrawal proceeds payable in connection with a withdrawal affected at a time other than as of the end of a calendar quarter are reduced by the amount of the Incentive Allocation (if any) charged in connection with such withdrawal.

The General Partner may establish (and increase or decrease from time to time) such reserves for the Fund for: (a) estimated accrued costs or expenses and (b) contingent, unknown or unfixed debts, liabilities or obligations of the Fund, even if such reserves are not required by generally accepted accounting principles. The existence of any such reserve at the time a Limited Partner withdraws or is required to withdraw capital from a Capital Account would reduce the available balance of such Capital Account by the amount of its allocable share of such reserve. In addition, any such reserve, to the extent reversed, will be allocated among the Capital Accounts of the persons who are Limited Partners at the time of such reversal in the manner provided in the Limited Partnership Agreement, unless the General Partner, in its discretion, determines to allocate such reversal among the Capital Accounts of those persons who were Limited Partners at the time such reserve was established or increased, as the case may be. As a result, it is possible that a Limited Partner who withdraws or is required to withdraw the entire balance of a Capital Account at a time when a reserve exists will not receive any amount from such reserve if it should later be reversed.

The General Partner may withhold and pay over to the Internal Revenue Service ("**IRS**") or any other taxing authority, pursuant to Sections 1441, 1442, 1445, 1446 of the Internal Revenue Code of 1986, as amended (the "**Code**"), and any other provisions of the Code or of state, local or foreign law, the amounts the Fund may be required to withhold under those provisions or may be required to pay to any federal, state, local or foreign taxing authority relating to a Limited Partner. The amount of any taxes withheld and paid by the Fund on behalf of a Limited Partner shall be deemed to constitute a distribution to such Limited Partner and, if withheld and paid in connection with a capital withdrawal by such Limited Partner, shall reduce (on a dollar for dollar basis) the amount the Fund would otherwise pay directly to such Limited Partner in connection with such withdrawal.

Suspension of Withdrawals and Withdrawal Payments

The General Partner may cause the Fund to suspend withdrawals and/or payments due to Limited Partners in connection with withdrawals for the whole or part of any period during which the General Partner determines that: (a) effecting such withdrawals or making such payments would violate Delaware law or have a material adverse effect on the Limited Partners generally; (b) sufficient funds are not available to the Fund to effect such withdrawals or make such payments because of a default or delay by any bank, broker or other person holding assets of the Fund in making payments to the Fund; or circumstances exist as a result of which it is not reasonably practicable for the Fund to: (i) accurately ascertain the value of a material portion of its assets due to factors such as the closure of or the suspension of trading on any stock exchange or other market on which such assets are usually traded or the break-down in any of the means usually employed by it in ascertaining such value; or (ii) realize on the value of

a material portion of its assets. In addition, the General Partner may cause the Fund to suspend withdrawals and/or payments due to Limited Partners in connection with withdrawals to the extent reasonably necessary to enable the Fund to effect the orderly liquidation of assets necessary to effect such withdrawals or make such payments.

The General Partner may make "in kind" distributions (or a combination of cash and "in kind" distributions) where it believes the circumstances warrant. To the extent the Fund makes "in kind" distributions, it will allocate such distributions among the holders of the Capital Accounts entitled thereto such that each such holder shall, except for immaterial variances, receive a *pro rata* portion thereof. Cryptocurrency distributed "in kind" may not be readily marketable or saleable and may have to be held by the Limited Partners who receive them for an indefinite period of time.

Limited Partners are not entitled to receive interest on withdrawal proceeds, notwithstanding that withdrawal proceeds are paid subsequent to the effective date of a withdrawal. However, the General Partner, in its discretion, may cause the Fund to credit interest to a Limited Partner in respect of any withdrawal proceeds payable to such Limited Partner, from the effective date of the withdrawal to the date of payment.

RISK FACTORS

In considering an investment in the Fund, prospective investors should be aware of certain special considerations and risk factors, which include, but are not limited to, the following:

- **General Investment Risk (*i.e.,* the risk of deterioration in the financial markets in general);**
- **Strategy Risk (*i.e.,* the risk of failure of the General Partner's investment strategy);**
- **Institutional Risk (*i.e.,* the risk that the Fund could incur losses due to: (i) the failure of counterparties to perform their contractual commitments to the Fund; (ii) the financial difficulty of cryptocurrency exchanges, cryptocurrency wallet providers, brokerage firms, banks or other financial institutions that hold assets of the Fund);**
- **Fund Structure Risk (*i.e.*, the special considerations and risks arising from the operation of certain provisions of the Limited Partnership Agreement and the governing documents of the Fund);**
- **Legal Risk (i.e., the special considerations and risks arising from changes in regulation of cryptocurrency that may impact the value of the Fund's investments therein);**
- **Operational Risk (*i.e.,* the special considerations and risks arising from the day-to-day management of a pooled investment vehicles like the Fund; and**
- **Tax Risk (i.e., the special considerations and risks arising from the operation of an investment vehicle treated as a partnership for U.S. federal tax purposes).**

Certain special considerations and risk factors that fall under these general categories are described below. Others are referred to elsewhere in this Memorandum and will not be repeated here. Prospective investors should therefore read this entire Memorandum before subscribing for Interests. In addition, the inclusion of specific special considerations and risk factors in this Memorandum should not be construed to imply they are described in complete detail, or that there are not other special considerations or risk factors that apply to an investment in the Fund.

GENERAL INVESTMENT RISK

All investments in securities and other financial instruments involve substantial risk of volatility (potentially resulting in rapid declines in market prices and significant losses) arising from any number of factors that are beyond the control of the Fund, such as: changing market sentiment; changes in industrial conditions, competition and technology; changes in inflation, exchange or interest rates; changing domestic or international economic or political conditions or events; changes in tax laws and governmental regulation; and changes in trade, fiscal, monetary or exchange control programs or policies of governments or their agencies (including their central banks). Changes such as these, as well as innumerable other factors, are often unpredictable and unforeseeable, rendering it difficult or impossible

to predict or foresee future market movements. Unexpected volatility or illiquidity in the cryptocurrency markets in which the Fund holds positions could impair its ability to achieve its objectives and cause it to incur losses.

Although the General Partner believes that the Fund's investment program should mitigate the risk of loss through a careful selection and monitoring of cryptocurrency investments, an investment in the Fund is nevertheless subject to loss, including possible loss of the entire amount invested. No guarantee or representation is made that the Fund will be successful, and the Fund's investment results may vary substantially over time.

STRATEGY RISK

Long Positions

The success of the long positions established for the Fund by the General Partner will depend in large part on the General Partner's ability to accurately assess the fundamental value of those positions. An accurate assessment of fundamental value depends on a complex analysis of a number of financial, technical and legal factors. No assurance can be given that the General Partner will be in a position to assess the nature and magnitude of all material factors having a bearing on the value of the Fund's long positions, or that the General Partner will accurately assess the impact of all factors of which it is aware.

Short Selling

The Fund may sell cryptocurrency short in certain situations. Selling short involves the sale of borrowed cryptocurrency. In order to sell a security short, the Fund must borrow the cryptocurrency from a cryptocurrency lender and deliver it to the buyer. The Fund is then obligated to return the cryptocurrency to the lender at its request (although the Fund typically remains free to return the cryptocurrency to the lender at any time prior to the lender's request). The Fund ordinarily fulfills its obligation to return a cryptocurrency previously sold short by acquiring it in the open market.

A short sale by the Fund ordinarily involves a judgment on the General Partner's part that, subsequent to the sale, the price of the cryptocurrency will fall over time, resulting in profits equal to the difference between the net proceeds of the sale and the cost of acquiring the cryptocurrency (or a security exchangeable for or convertible into such cryptocurrency) at a later date to fulfill the obligation to return the cryptocurrency to the lender.

The principal risk in selling a particular cryptocurrency short is that, contrary to the General Partner's expectation, the price of the cryptocurrency will rise, resulting in a loss equal to the difference between the cost of acquiring the cryptocurrency (for return to the lender) and the net proceeds of the short sale. (This risk of loss is theoretically unlimited, since there is theoretically no limit on the price to which the security sold short may rise.) In addition, the Fund would be responsible for the payment of any accrued interest on a bond it has sold short while the short sale is outstanding.

Another risk is that the Fund may be forced to unwind a short sale at a disadvantageous time for any number of reasons. For example, a lender may call back a cryptocurrency at a time the market for such security is illiquid or additional cryptocurrency is not available to borrow. In addition, some traders may

attempt to profit by making large purchases of a cryptocurrency that has been sold short. These traders hope that, by driving up the price of the cryptocurrency through their purchases, they will induce short sellers to seek to minimize their losses by buying the cryptocurrency in the open market for return to their lenders, thereby driving the price of the cryptocurrency even higher.

Investment Techniques

In implementing the Fund's investment strategy, the General Partner may utilize techniques such as borrowing to increase the Fund's long position exposure. Although employing these techniques expands the Fund's opportunities for gain, it also substantially increases the risks of volatility and loss, as summarized below.

Interest Rate Risk. Cryptocurrency that carries an interest rate or is pegged to a particular interest rate may decline in value because of changes in market interest rates. When market interest rates rise, the market value of such cryptocurrency may fall. The Fund's investment in such cryptocurrency means that the value of Interests may decline if market interest rates rise (for long positions) and may decline if market interest rates rise (for short positions).

High Yield Risk. Cryptocurrency that is deemed to be a security will generally may not be considered "investment grade." Securities of below investment grade quality are regarded as having predominantly speculative characteristics. The prices of these lower grade securities are typically more sensitive to negative market developments. The market for such cryptocurrencies may not be as liquid as the secondary market for more highly rated securities, a factor which may have an adverse effect on the Fund's ability to dispose of a particular cryptocurrency. Under adverse market or economic conditions, the secondary market for such cryptocurrency could contract further, independent of any specific adverse changes in the condition of a particular issuer, and these instruments may become illiquid. As a result, the Fund could find it more difficult to sell such cryptocurrency or may be able to sell the cryptocurrency only at prices lower than if such cryptocurrency were widely traded.

Leverage. The Fund may use leverage in its investment program, generally through borrowing to increase the assets available for it to lend. While the General Partner does not intend to use borrowing as a key element of its core strategy for investing the Fund's assets, the General Partner may from time to time utilize borrowings to facilitate capital inflows and outflows without disruption to the fund's strategy.

The level of interest rates generally, and the rates at which the Fund can borrow, in particular, affects the Fund's operating results. If the interest expense on the Fund's borrowings – which can be expected to fluctuate from time to time depending on market conditions – were to exceed the net return on the portfolio securities purchased with the borrowed funds, the use of leverage would result in a lower rate of return than if leverage were not used.

Moreover, to the extent the Fund uses borrowed funds, its NAV will tend to increase or decrease at a greater rate than if borrowed funds were not used, and a relatively small movement in the value of a position could result in immediate and substantial losses.

The Fund's borrowings typically will be secured by a pledge of its assets to the lenders who extend credit to the Fund. Under certain circumstances, a lender might demand an increase in the collateral that secures the Fund's obligations and, if the Fund were unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy the Fund's obligations.

The Fund does not have any commitments from banks or others regarding its future borrowings and there is no assurance that lenders will be willing to make loans to the Fund of the maximum amount permitted by applicable law. The degree of profitability of the Fund may depend in part upon its ability to obtain such loans at prevailing market rates.

Hedging Transactions. While the General Partner does not intend to use hedging transactions as a key element of its core strategy for investing the Fund's assets, the Fund may from time to time utilize derivative cryptocurrencies, including "stablecoins" such as Tether, to seek to hedge against fluctuations in the relative values of the Fund's portfolio positions as a result of changes in interest rates or exchange rates. Hedging against a decline in the value of a portfolio position does not eliminate fluctuations in the value of the position or prevent losses in the value of the position, but establishes other positions designed to gain from those same developments, thus offsetting the decline in the value of the portfolio position. Such hedging transactions also limit the opportunity for gain if the value of the portfolio position should increase. It may not be possible, however, for the Fund to hedge against an interest rate or exchange rate fluctuation that is so generally anticipated that the Fund is not able to enter into a hedging transaction at a price sufficient to protect it from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

The success of the Fund's hedging transactions is subject to its ability to correctly predict movements in and the direction of interest rates and currencies. Therefore, while the Fund may enter into such transactions to seek to reduce risk, unanticipated changes in cryptocurrency exchange rates may result in a poorer overall performance for the Fund than if it had not engaged in any such hedging transaction. In addition, the degree of correlation between price movements of the instruments used in a hedging strategy and price movements in the portfolio positions being hedged may vary. Moreover, for a variety of reasons, the Fund 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. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the Fund's portfolio holdings.

Non-U.S. Instruments and Markets. The General Partner expects to invest some percentage of the Fund's assets in financial instruments located outside the United States.

Investing in non-U.S. entities involves certain considerations not usually associated with investing in U.S. companies, including political and economic considerations, such as greater risks of expropriation and nationalization, confiscatory taxation, the potential difficulty of repatriating funds, general social, political and economic instability and adverse diplomatic developments; the possibility of imposition of withholding or other taxes on dividends, interest, capital gains or other income; the small size of some markets in foreign countries, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between cryptocurrency and costs associated with cryptocurrency conversion; and certain government policies that may restrict investment opportunities. In addition, accounting and

financial reporting standards that prevail in foreign countries generally are not equivalent to United States standards and, consequently, less information may be available to investors in companies located in foreign countries than is available to investors in companies located in the United States.

Potentially Limited Diversification. Although the General Partner is cognizant of the risks

associated with portfolio concentration, it also believes that its adherence to the general guidelines governing portfolio diversification may preclude the Fund from taking advantage of promising investment opportunities. Accordingly, the Fund has not established any strict rules relating to the diversification of its portfolio.

Portfolio Turnover. The operation of the Fund may result in a high annual portfolio turnover rate. The Fund has not placed any limit on the rate of portfolio turnover and portfolio cryptocurrency may be sold without regard to the time they have been held when, in the opinion of the General Partner, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate (e.g., greater transaction costs such as brokerage fees).

Low Rated or Unrated Debt Obligations. The Fund invests in cryptocurrency that has no credit rating promulgated by any internationally recognized credit rating organizations. Cryptocurrency involves significant risk exposure as there is great uncertainty involving it. Low rated and unrated instruments generally offer a high current yield than that available from higher grade issuers, but typically involve greater risk.

"Uninvested" Capital

The General Partner may from time to time invest Fund assets in high quality short-term instruments such as U.S. Treasury securities and shares of "money market" mutual funds because suitable investments for the Fund are not then available. It is not possible to determine or even estimate the degree to which the Fund's assets will be "uninvested" from time to time, but the percentage of Fund assets invested in short-term instruments may be high from time to time. Such periods of "uninvestment" are likely to have a negative impact on the Fund's rate of return.

Illiquid Investments

An unlimited portion of the Fund's assets may from time to time be invested in cryptocurrencies for which a limited market exists and/or which are restricted as to their transferability under Federal or state securities laws. Because of the absence of any trading market for these investments, the Fund may take longer to liquidate these positions than would be the case for public equity securities. Although these cryptocurrencies may, under certain circumstances, be resold in privately negotiated transactions, the prices realized on such sales could be less than those originally paid by the Fund. In addition, at various times, the markets for cryptocurrency purchased or sold by the Fund, although organized and active, may nevertheless be "thin" or illiquid, making the purchase or sale of cryptocurrency at desired prices or in desired quantities difficult or impossible. This lack of depth could be a disadvantage to the Fund, both in the realization of the prices which are quoted and in the execution of orders at desired prices.

Pricing Risk upon Redemption and Subscription

The price of redeemed Interests will be based on the Fund's unrealized as well as realized gains (and/or losses). There can be no assurance that such unrealized gains (and/or losses) will, in fact, ever be recognized. Furthermore, the valuation of unrealized gain and loss may be subject to material subsequent revision. As a result, a subscribing or redeeming investor may be positively or negatively affected by a revision to the Fund's net asset value.

Broad Investment and Trading Mandate

Neither the Limited Partnership Agreement nor the Investment Management Agreement impose significant restrictions on the General Partner's investing for the Fund. The General Partner expects that, under current market conditions, the Fund will focus on the investment strategy described herein. The General Partner, however, may engage in other strategies from time to time (either in lieu of or in addition

to the strategy described herein) to take advantage of changing market conditions and investment opportunities, without notice to the Limited Partners. This could involve changes in the types of cryptocurrency and other instruments in which the Fund trades and invests, as well as changes in the markets in which such cryptocurrencies and other instruments trade. There can be no assurance that pursuing additional strategies, either in lieu of or in addition to the strategy described herein, would be successful or not result in losses.

RISKS ASSOCIATED WITH CRYPTOCURRENCY

The regulatory regime governing the blockchain technologies, cryptocurrencies, tokens and token sales such as the Tokens is uncertain, and new regulations or policies may materially adversely affect the Fund

Regulation of tokens token sales, cryptocurrencies, blockchain technologies, and cryptocurrency exchanges currently is undeveloped and likely to rapidly evolve, varies significantly among international, federal, state and local jurisdictions and is subject to significant uncertainty. Various legislative and executive bodies may in the future, adopt laws, regulations, guidance, or other actions, which may severely impact the development, growth, adoption and utility of the cryptocurrency. Failure by the Fund or certain issuers of cryptocurrency to comply with any laws, rules and regulations, some of which may not exist yet or are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines.

Until recently, little or no regulatory attention has been directed toward cryptocurrency by state governments, foreign governments and self-regulatory agencies. As cryptocurrencies have grown in popularity and in market size, various governments have begun to examine the operations of the cryptocurrency issuers, users and cryptocurrency exchanges.

Currently, the few government agencies have formally asserted regulatory authority over cryptocurrency, or cryptocurrency trading and ownership. Although some securities regulators have opined on the legal characterization of cryptocurrency as a security. The United States Securities and Exchange Commission has taken various actions against persons or entities misusing cryptocurrency in connection with fraudulent schemes (i.e., Ponzi scheme), inaccurate and inadequate publicly disseminated information, and the offering of unregistered securities. Similarly, the United States Commodities Futures Trading Commission, in the *Coinflip* order found that the respondents (i) conducted activity related to commodity options transactions without complying with the provisions of the U.S. Commodity Exchange Act, and (ii) operated a facility for the trading of swaps without registering the facility as a SEF or DCM.

Cryptocurrency currently faces an uncertain regulatory landscape in not only the United States but also in many foreign jurisdictions such as the European Union, China and Russia. While certain governments such as Germany, where the Ministry of Finance has declared cryptocurrency to be "*Rechnungseinheiten*" (a form of private money that is recognized as a unit of account, but not recognized in the same manner as fiat currency), have issued guidance as to how to treat cryptocurrency, most regulatory bodies have not yet issued official statements regarding intention to regulate or determinations on regulation of cryptocurrency, the Cryptocurrency Network and Cryptocurrency users.

New or changing laws and regulations or interpretations of existing laws and regulations, in the United States and other jurisdictions, may materially and adversely impact the value of the currency in which the Tokens may be exchanged, the value of the distributions that may be made, and the liquidity of the Tokens, the ability to access marketplaces or exchanges on which to trade the Tokens, and the structure, rights and transferability of Tokens.

If regulatory changes or interpretations of the Fund's activities require the registration of the Fund as a money service business, the Fund may be required to register and comply with such regulations. If regulatory changes or interpretations of the Fund's activities require the licensing or other registration of the Fund as a money transmitter (or equivalent designation) the Fund may be required to seek licensure or otherwise register and comply with such state law.

To the extent that the activities of the Fund cause it to be deemed a "money service business," the Fund may be required to comply with various regulations, including those that would mandate the Fund to implement anti-money laundering and know-your-customer programs, make certain reports and maintain certain records.

To the extent that the activities of the Fund cause it to be deemed a "money transmitter" (or equivalent designation) under the laws of any nation in which the Fund operates, the Fund may be required to seek a license or otherwise register with a regulator and comply with regulations that may including the implementation of anti-money laundering and know-your-customer programs, maintenance of certain records and other operational requirements.

Such additional regulatory obligations may cause the Fund to incur extraordinary expenses, possibly affecting its operations, as well as the utility and value of the Tokens in a material and adverse manner. Furthermore, the Fund and its service providers may not be capable of complying with certain regulatory obligations applicable to money service businesses or money transmitters. There can be no guarantee that if such registration or licensure become required that the Fund would be able to comply with such requirements. If it were unable to, it may force the Fund to cease operations.

Some Cryptocurrencies May be Deemed to be "Securities."

On July 25, 2017, the United States Securities and Exchange Commission issued a Report of Investigation under Section 21(a) of the Securities Exchange Act of 1934 describing an SEC investigation of The DAO, a virtual organization, and its use of distributed ledger or blockchain technology to facilitate the offer and sale of DAO Tokens to raise capital. The Commission applied existing U.S. federal securities laws to this new paradigm, determining that DAO Tokens were securities. While the report does not constitute binding precedent, the Commission stressed that those who offer and sell securities in the U.S. are required to comply with federal securities laws, regardless of whether those securities are purchased with virtual currencies or distributed with blockchain technology. Following the United States' lead, many other nations have subsequently sought to opine as to the applicability of prevailing securities laws.

It may be illegal now, or in the future, to acquire, own, hold, sell or use cryptocurrencies in one or more countries, and ownership of, holding or trading in cryptocurrency may also be considered illegal and subject to sanction.

Although currently cryptocurrencies are not regulated or is lightly regulated in most countries, one or more countries such as China, Iceland, Vietnam and Russia may take regulatory actions in the future that severely restricts the right to acquire, own, hold, sell or use cryptocurrency or to exchange cryptocurrency for fiat currency. Such an action may also result in the restriction of ownership, holding or trading in cryptocurrency. Such a restriction could result in a materially adverse impact on the utility and value of the Fund's portfolio

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The prices of cryptocurrencies are extremely volatile. Fluctuations in the price of digital assets could materially and adversely affect our business, and the value of the Fund's portfolio may also be subject to significant price volatility.

The prices of cryptocurrency have historically been subject to dramatic fluctuations and are highly volatile.

Several factors may influence the market price of cryptocurrencies, including, but not limited to:

- Global blockchain asset supply;
- Global blockchain asset demand, which can be influenced by the growth of retail merchants' and commercial businesses' acceptance of blockchain assets like cryptocurrencies as payment for goods and services, the security of online blockchain asset exchanges and digital wallets that hold blockchain assets, the perception that the use and holding of blockchain assets is safe and secure, and the regulatory restrictions on their use;
- Purchaser' s expectations with respect to the rate of inflation;
- Changes in the software, software requirements or hardware requirements underlying cryptocurrency
- Changes in the rights, obligations, incentives, or rewards for the various users of cryptocurrency
- Interest rates;
- Currency exchange rates, including the rates at which cryptocurrency may be exchanged for fiat currencies;
- Fiat currency withdrawal and deposit policies of blockchain asset exchanges on which cryptocurrency may be traded and liquidity on such exchanges;
- Interruptions in service from or failures of major blockchain asset exchanges on which cryptocurrency may be traded;
- Investment and trading activities of large investors, including private and registered funds, that may directly or indirectly invest in cryptocurrencies;
- Monetary policies of governments, trade restrictions, currency devaluations and revaluations;
- Regulatory measures, if any, that affect the use of blockchain assets such as cryptocurrency
- Government and quasi-government regulation of cryptocurrency, and other blockchain assets and their use, or restrictions on or regulation of access to and operation of blockchain networks or similar systems;
- The maintenance and development of the open-source software protocol of the cryptocurrency networks;
- Changes in consumer demographics and public tastes and preferences;
- The availability and popularity of other forms or methods of buying and selling goods and services, or trading assets including new means of using fiat currencies or existing networks;
- General economic conditions and the regulatory environment relating to cryptocurrencies; or
- A decline in the popularity or acceptance of cryptocurrency or other blockchain-based tokens would adversely affect our results of operations;
- Global or regional political, economic or financial events and situations; or

Moreover, a decrease in the price of a single cryptocurrency may cause volatility in the entire blockchain asset

industry and may affect other blockchain assets. For example, a security breach that affects holders of a particular cryptocurrency may negatively impact holders of other cryptocurrencies, or user confidence in any one cryptocurrency may affect the industry as a whole and may also cause the price of all cryptocurrencies and other blockchain assets to fluctuate

FUND STRUCTURE RISK

Dependence on the General Partner and Key Personnel

The General Partner will make all investment decisions for the Fund and the General Partner will make all investment decisions for the Fund. No Limited Partner, in its capacity as such, may take part in the management or conduct of the business or affairs of the Fund or transact any business in the name of or otherwise for or on behalf of the Fund. As a result, the success of the Fund will depend to a great extent on the investment skills of the General Partner's principals and key personnel and similarly the Fund on the General Partner. The Fund could be adversely affected if, because of illness, resignation or other factors, the services of the relevant people were not available for any significant period of time.

Exculpation and Indemnification

As described above under §2, "MANAGEMENT," the Fund will broadly exculpate the General Partner and its related persons from certain liabilities to which they might otherwise be subject, and broadly indemnify them against certain losses incurred by them in connection with managing and conducting the business and affairs of the Fund and making investment and trading decisions for the Fund. It is not expected that the Fund will purchase insurance to cover its indemnification obligations.

Withholding of Distributions

Under certain circumstances, the General Partner may find it necessary upon withdrawal by one of the Limited Partners to establish a reserve for contingent liabilities and withhold a certain portion of such Limited Partner's Capital Account. In addition, at any given time, the Fund may not be able to liquidate sufficient assets to make required payments to withdrawing Limited Partners or to satisfy all of its obligations upon dissolution.

Returns of Distributions

No Limited Partner, in its capacity as such, will be personally liable for the debts, liabilities, obligations or commitments of the Fund, and each Interest, when issued and fully paid for in accordance with the provisions of the related Subscription Agreement, will be fully paid and nonassessable. However, if the Fund incurs a withholding tax or other tax obligation with respect to the share of Fund income allocable to any Capital Account, and if the amount of any such obligation exceeds the balance of such Capital Account, then the Limited Partner that holds such Capital Account must, upon demand by the General Partner, pay to the Fund, as a capital contribution, an amount equal to such excess. In addition, a Limited Partner will be required to return to the Fund amounts previously distributed to it by the Fund, together with reasonable interest on such amounts determined by the General Partner in its reasonable discretion, under certain limited circumstances, such as where: (i) the amount previously distributed was distributed in violation of the Colorado Limited Partnership Act or was distributed in error due to a miscalculation of the Fund's NAV; (ii) the General Partner determines that a particular liability

or expenditure that becomes fixed or is incurred in an accounting period subsequent to the accounting period in which the distribution was made is properly chargeable to such prior accounting period; or (iii) the amount previously distributed is necessary to satisfy such Limited Partner's *pro rata* share of the Fund's obligation to indemnify the General Partner and its related parties pursuant to the terms of the LPA. See Section 5.3 of the LPA for a more complete description of the limited circumstances in which a Limited Partner may be required to return amounts to the Fund.

Limited Liability of the General Partner

The Fund is organized as a limited partnership. This structure limits the liability of the General Partner of such an entity to its interest in such entity plus any withdrawals or distributions it has taken from such entity. In the event that the Fund's liabilities and obligations exceed its net capital, a creditor of the Fund (which might include one or more Limited Partners) would have no recourse to the general assets of the General Partner to satisfy any excess liabilities and obligations.

Limited Voting Rights

Limited Partners will not have the right to vote on any matter affecting the Fund except for:
(a) transactions in which the admission of an additional general partner to the Fund would result in an "assignment" of the LPA within the meaning of the Investment Advisers Act of 1940, as amended (the "**Advisers Act**") (see Section 3.4.4 of the LPA); (b) certain amendments to the LPA (see "Amendment of LPA," below); and (c) the appointment, determination of the compensation of, and revocation of the appointment of, the liquidating trustee of the Fund in certain limited circumstances (see Sections 11.2.2, 11.2.3 and 11.4(b) of the LPA). No Limited Partner or Limited Partners, individually or collectively, shall have any right, power or authority to remove or expel the General Partner as the General Partner of the Fund, to cause the General Partner to withdraw from the Fund as the General Partner, to appoint a successor general partner in the event of the withdrawal or bankruptcy of the General Partner or otherwise, or to terminate the Fund, unless such right, power or authority is conferred on it or them by law.

Amendment of LPA

the General Partner may amend the LPA without Limited Partner approval for (among other things):

- certain tax and regulatory purposes (provided that the General Partner takes such measures as are reasonably necessary to prevent such an amendment from having a material adverse effect on the Fund or the Limited Partners generally);
- certain ministerial purposes; and
- such other purposes as the General Partner may determine to be necessary, appropriate, advisable, incidental or convenient to the management and conduct of the business and affairs of the Fund, provided that, in the General Partner's judgment, no amendment for any such other purpose has or could

reasonably be expected to have a materially adverse effect on the Fund or the Limited Partners generally. In no event, however, may the General Partner affect any amendment that would: (i) require a Limited Partner to pay any sum of money whatsoever in respect of such Limited Partner's Interest, whether in the form of a Capital Contribution, a loan or otherwise, other than that which such Limited Partner has agreed to pay by way of such Limited Partner's Subscription Agreement, the LPA or another agreement executed and delivered by such Limited Partner; (ii) materially reduce the increases and decreases of net assets of the Fund or the amount of distributions to which such Limited Partner is entitled under the LPA, without the consent of such Limited Partner; or (iii) modify the limited liability of a Limited Partner, without the consent of such Limited Partner.

The General Partner may amend the LPA in a manner that materially adversely affects or could reasonably be expected to have a material adverse effect on the Fund or the Limited Partners generally if the General Partner gives written notice to the Limited Partners, at least thirty (30) calendar days prior to the implementation of such amendment, setting forth, in reasonable detail, all material facts relating to such amendment, and obtains the consent of the Limited Partners to such amendment prior to the implementation thereof. In situations where the General Partner is required to obtain the consent of Limited Partners to an amendment to the LPA, the General Partner may obtain such consent by way of "negative consent." Under this procedure, the General Partner would inform Limited Partners of the proposed amendment no later than thirty (30) calendar days prior to the implementation of the amendment, and the amendment would be deemed to be approved if a simple majority in interest of the Limited Partners who are not affiliated with the General Partner fail to object to such amendment within that time frame. For this purpose, a Limited Partner who has a right to redeem its entire interest in the Fund prior to the proposed implementation of such amendment would automatically be deemed not to have objected to such amendment.

The General Partner may also use the "negative consent" procedure for other purposes, such as obtaining consent to: (i) actions and practices involving actual or potential conflicts between the interests of the General Partner or any of its related parties, on the one hand, and the Fund or the Limited Partners, on the other hand, and (ii) the admission of an additional general partners in situations where the admission of an additional general partner would result in a change in the actual control or management of the Fund.

The General Partner may not amend the LPA in a manner that has or could reasonably be expected to have a material adverse effect on one or more specific Limited Partners without the consent of the affected Limited Partners

The LPA may not be amended without the consent of the General Partner.

See Section 10.1.1 of the LPA for a complete description of the different situations in which the General Partner may amend the LPA.

Withdrawal of the General Partner

The General Partner may withdraw substantially all of its Capital Account at any time, without notice to the Limited Partners. The General Partner may withdraw as the Fund's General Partner upon giving not less than ninety (90) calendar days prior written notice to the Limited Partners. In that case, the General Partner may withdraw the entire balance of its Capital Account.

Confidentiality

Limited Partners generally will be required to keep confidential all matters relating to the Fund and its business and affairs (including communications from the General Partner). The exceptions to this general rule of confidentiality are described in Section 8.6.2 of the LPA.

Term of the Fund

The term of the Fund is unlimited. The General Partner, however, may dissolve the Fund at any time upon giving written notice of such dissolution to the Limited Partners. Upon the dissolution of the Fund, Limited Partners will have no further withdrawal rights, but only the right to receive distributions from the Fund in connection with its winding up. For a complete description of the circumstances giving rise to the dissolution of the Fund and the procedures to be followed in connection with the dissolution and winding up of its business and affairs and the distribution of its assets in connection therewith, see Article XI of the LPA.

OPERATIONAL RISK

Lack of Operating History

The Fund is being established in connection with this offering and has no operating history. The successful past performance of other funds and accounts managed by the General Partner or its affiliates does not necessarily indicate that the Fund will be successful.

Substantial Fees and Expenses

The Fund is subject to substantial fees, transaction costs and other costs and other expenses, regardless of whether they realize any profits. Among other things, investors will bear Management Fees and Incentive Allocations. As a result, the Fund will have to earn substantial profits to avoid depletion of its assets due to such costs and expenses.

Absence of Registrations

The Fund is offering Interests to investors pursuant to the exemption from registration under the Securities Act provided by Regulation D. In addition, the Fund will rely on the "exclusion" from the definition of "investment company" for certain "private" investment companies provided by Section 3(c)(7) of the ICA. As a result, Limited Partners will not be afforded the protections that registration under the Securities Act and the ICA might provide.

The General Partner is not currently registered as an investment adviser under the Advisers Act or under any state securities laws. The General Partner does not intend to register as an investment adviser under the Advisers Act. Until such registration, should it occur, the General Partner is subject only to limited regulation under the Advisers Act. As a result, Limited Partners will not be afforded the protections that registration of the General Partner under the Advisers Act might provide.

Tax Risks

Audits. There can be no assurance that the Fund's tax returns will not be audited by the IRS or by the states and that adjustments to such returns will not be made as a result of such an audit. If an audit results in an adjustment, Limited Partners may be required to file amended returns (which may themselves be audited) and to pay back taxes, plus interest, which would not be reimbursed through distributions by the Fund.

Limited Partners' Tax Liability May Exceed Cash Distributions. Cash distributions to the Limited Partners will be made solely at the discretion of the General Partner, which currently does not intend to make such distributions. If the Fund has realized profits for a taxable year, these profits will be taxable to the Limited Partners even though cash may not have been distributed to them. Also, the Fund may sustain losses offsetting such profits after the end of a Fiscal Year, so that a Limited Partner may never receive all of the profit on which he is taxed (although the Limited Partner may be entitled to carry back certain losses to offset previously realized profits).

Investments Not Tax-Driven. A substantial portion of the Fund's income may constitute short-term capital gain or ordinary income in the form of dividends and interest, all of which are subject to income tax at the highest rate. Furthermore, the General Partner's trading decisions will be based primarily on economic, and not tax, considerations. This could result, from time to time, in adverse tax consequences to Limited Partners.

OTHER RISK

Risk of Confidentiality Agreements and Insider Information

From time to time, the Investment Manager, or employees or affiliates of the Investment Manager (collectively the "Investment Manager"), may sign confidentiality agreements or may receive other information that may cause the Investment Manager, and therefore the Fund, to become restricted from buying or selling a security for a period of time. During this time the Fund may be subject to investment risk in positions that cannot be sold. Additionally, the Investment Manager, through its course of business for and outside of the Fund, may become an "insider" for the purpose of applicable securities laws and, accordingly, may be restricted or prohibited from trading a security. Determination of whether information obtained by an "insider" is material and non-public and how long such information restricts trading is a matter of considerable uncertainty and judgment. If a company performs inadequately and the Fund is restricted in its ability to sell its interest in the company's securities, the performance of the Fund could be affected.

CONFLICTS OF INTEREST

Because of the General Partner's and its principal's roles with respect to the Fund, the terms of the LPA and the Investment Management Agreement were not the result of arm's-length negotiation between the General Partner and its principal, on the one hand, and the Fund, on the other hand.

In addition, the General Partner and its related persons may be subject to significant conflicts of interest in managing the business and affairs of the Fund. Certain of these conflicts are described elsewhere in this Memorandum and will not be repeated here. Others are described below. While the conflicts described in this Memorandum are fairly typical of "hedge fund" managers, the General Partner wishes to call your attention to them.

Neither the General Partner nor any other the General Partner Associate is required to devote its full time or any material portion of its time to the business and affairs of the Fund; the members of the General Partner are not required to devote their full time or any material portion of their time to the business and affairs of the Fund. The General Partner, however, is required to devote so much of its time to the business and affairs of the Fund as the General Partner shall reasonably determine in good faith to be necessary to achieve the Fund's objectives. The General Partner and its related persons, and the members of the General Partner, may become involved in other business ventures, including other investment funds whose investment objectives, strategies and policies are the same as or similar to those of the Fund or different from the Fund. The Fund will not share in the risks or rewards of such other ventures, and such other ventures will compete with the Fund for the time and attention of the General Partner and its related persons, and the members of the General Partner, and might create additional conflicts of interest, as described below.

The General Partner and its related persons, and the members of the General Partner, may invest and trade in cryptocurrency for the accounts of clients other than the Fund and for their own accounts, even if such cryptocurrencies are the same as or similar to those in which the Fund or the Master Fund invests and trades, and even if such trades compete with, occur ahead of or are opposite those of the Fund. They will not, however, knowingly trade for the accounts of clients other than the Fund or for their own accounts in a manner that is detrimental to the Fund, nor will they seek to profit from their knowledge that the Fund intends to engage in particular transactions.

The General Partner might have an incentive to favor one or more of its other clients over the Fund for example, with regard to the selection of particular investments because those clients might pay the General Partner more for its services than the Fund. The General Partner and its related persons will act in a fair and reasonable manner in allocating suitable investment opportunities among their client and proprietary accounts. No assurance can be given, however, that (i) the Fund will participate in all investment opportunities in which other client or proprietary accounts of such persons participate, (ii) particular investment opportunities allocated to client or proprietary accounts other than the Fund will not outperform investment opportunities allocated to the Fund or (iii) equality of treatment between the Fund, on the one hand, and other client and proprietary accounts of such persons, on the other hand, will otherwise be assured.

Subject to the considerations set forth above, in investing and trading for client and proprietary accounts other than the Fund, the General Partner and its related persons, and the members of the General Partner, may make use of information obtained by them in the course of investing and trading for the Fund, and they will have no obligation to compensate the Fund in any respect for their receipt of such information or to account to the Fund for any profits earned from their use of such information.

The trading records of the General Partner and its related persons will not be available for inspection by Limited Partners.

The General Partner may from time to time engage placement agents to assist it in marketing Interests. If you acquire an Interest through a placement agent retained by the General Partner, you should not view any recommendation of such agent as being disinterested, as the agent will generally be paid for the introduction out of the fees the General Partner receives from the Fund. Also, you should regard such a placement agent as having an incentive to recommend that you remain an investor in the Fund, since the agent will generally be paid a portion of the General Partner's fees for all periods during which you remain an investor.

The General Partner has fiduciary duties to the Fund to exercise good faith and fairness in all its dealings with it and will take such duties into account in dealing with all actual and potential conflicts of interest. If a Limited Partner believes that the General Partner has violated its fiduciary duties, it may seek legal relief under applicable law, for itself and other similarly situated Limited Partners, or on behalf of the Fund. However, it may be difficult for Limited Partners to obtain relief because of the changing nature of the law in this area, the vagueness of standards defining required conduct, the broad discretion given the General Partner under the LPA, and the broad exculpatory and indemnification provisions therein.

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS

This summary was written to support the marketing of Interests in the Fund. It is not intended to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed on an investment in the Fund. You are therefore urged to seek advice based on your particular circumstances from an independent tax advisor.

Introduction

The following is a summary of certain material federal income tax consequences of acquiring, holding and disposing of Interests. Because the federal income tax consequences of investing in the Fund will vary from investor to investor depending on each investor's unique federal income tax circumstances, this summary does not attempt to discuss all of the federal income tax consequences of such an investment. Among other things, except in certain limited cases, this summary does not purport to deal with persons in special situations (such as financial institutions, insurance companies, entities exempt from federal income tax, regulated investment companies, dealers in commodities and securities and pass through entities). Further, to the limited extent this summary discusses possible foreign, state and local income tax consequences, it does so in a very general manner. Finally, this summary does not purport to discuss federal tax consequences (such as estate and gift tax consequences) other than those arising under the federal income tax. ***You are therefore urged to consult your tax advisers to determine the federal, state, local and foreign tax consequences of acquiring, holding and disposing of an Interest.***

The following summary is based upon the Code, as well as administrative regulations and rulings and judicial decisions thereunder, as of the date hereof, all of which are subject to change at any time (possibly on a retroactive basis). Accordingly, no assurance can be given that the tax consequences to the Fund or its investors will continue to be as described herein.

The Fund has not sought or obtained a ruling from the IRS (or any other federal, state, local or foreign governmental agency) or an opinion of legal counsel as to any specific federal, state, local or foreign tax matter that may affect it. Accordingly, although this summary is considered to be a correct interpretation of applicable law, no assurance can be given that a court or taxing authority will agree with such interpretation or with the tax positions taken by the Fund.

This summary relates solely to U.S. investors. A U.S. investor for purposes of this discussion is a person who is a citizen or a resident alien of the United States, a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) organized under the laws of the United States or any political subdivision thereof, an estate whose income is subject to U.S. federal income tax regardless of its source and a trust if: (i) a U.S. court can exercise primary supervision over the trust's administration and one or more U.S. persons are authorized to control all substantial decisions of the trust or (ii) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Partnership Status

The Fund intends to be classified as a partnership for federal income tax purposes. Thus, each item of the Fund's income, gain, loss, deduction and credit as recognized for federal income tax purposes should flow through to the investors in the Fund, for federal

income tax purposes. In addition, the Fund does not expect to be treated as a "publicly traded partnership" ("**PTP**") taxable as a corporation for federal income tax purposes. In this regard, the General Partner will permit the number of investors in the Fund to exceed 100 only if an exemption to the PTP rules applies. If the Fund were not classified as a partnership but instead were classified as a corporation for federal income tax purposes, it would be subject to tax at the entity level. This summary assumes that the Fund will be classified as partnerships for federal income tax purposes.

Taxation of Tax-Exempt Investors

Tax-exempt investors should be aware that the Fund may borrow cash and that, as a result, a portion (perhaps a substantial portion) of the Fund's income may be treated as "unrelated business taxable income." An investment in the Fund therefore may not be suitable for tax-exempt investors, particularly charitable remainder trusts, which should consult their independent tax advisers regarding advisability of and the tax considerations involved in an investment in the Fund.

Taxation of Investors on Profits and Losses

If the Fund is treated as a partnership for federal income tax purposes, it generally will not pay any federal income tax. Instead, the Fund will file a partnership information return (on IRS Form 1065) with the IRS which reports the results of its operations, and provide investors with tax information so that they may report their share of the Fund's income, gain or loss. Each investor will be required to report separately on its federal income tax return (for each taxable year of such investor in which the Fund's taxable year ends) its allocable share of the Fund's net long-term capital gain or loss, net short-term capital gain or loss and all items of ordinary income or loss, as reported to such investor by the Fund. With certain exceptions, federal income tax is not imposed on or measured by cash distributions (or constructive distributions), but on the Fund's "taxable income." As a result, each investor generally will be taxed on its allocable share of the Fund's taxable income and gain regardless of whether it received a distribution from the Fund during the taxable year in question.

Allocations

Under the LPA, the Fund's net capital appreciation or net capital depreciation for each accounting period is allocated among the Accounts of the investors without regard to the amount of income, gain or loss actually recognized by the Fund for federal income tax purposes. The LPA provides that items of the Fund's income, gain, loss, deduction and credit actually recognized by the Fund during a fiscal year generally are to be allocated for federal income tax purposes among the Capital Accounts pursuant to the principles of Treasury Regulations issued under Sections 704(b) and 704(c) of the Code. Under these principles, income, gain, loss, deduction and credit are generally allocated among the Accounts, as of the end of the Fund's taxable year, based upon the amounts of the Fund's net capital appreciation or net capital depreciation that have been allocated to such Accounts for the current and prior fiscal years, in a manner designed to eliminate "book/tax disparities" in respect of such Accounts.

Investors are urged to review Article IV of the LPA for a more complete description of the manner in which the Fund will allocate its income, gain and losses for book and federal income tax purposes.

The IRS could disagree with the Fund's methods of allocating income, gain and losses for federal income tax purposes, which could cause investors to recognize more or less income, gain or loss than originally allocated to them for federal income tax purposes.

Deductions of Losses and Expenses

Tax Basis and Amount at Risk

For federal income tax purposes, an investor may deduct losses and expenses allocated to it by the Fund only to the extent of its adjusted tax basis in its Interest (or, in the case of individuals, certain non-corporate taxpayers and certain closely-held corporations, the lesser of such investor's adjusted tax basis in its Interest or its "amount at risk" with respect to such Interest) as of the end of the Fund's taxable year in which such losses occur or such expenses are incurred.

Generally, an investor's adjusted tax basis in an Interest is the amount paid for such Interest, reduced (but not below zero) by such investor's share of the Fund's distributions, losses and expenses, and increased by such investor's share of the Fund's liabilities, if any, and income and gain as determined for federal income tax purposes, including capital gains, with such reductions and increases made at the end of the Fund's taxable year. (Tax basis is also important because gain or loss on cash distributions or partial or complete withdrawals from the Fund is measured by reference to the investor's adjusted tax basis in his Interest, as discussed below).

Generally, an investor's "amount at risk" with respect to an Interest includes such investor's (1) cash contributions to the Fund; (2) the adjusted basis of other property contributed by such investor to the Fund; and (3) amounts borrowed for the purchase of an Interest or for use by or in the Fund for which such investor is personally liable or which are secured by property of such investor (not otherwise used by the Fund) to the extent of the fair market value of the encumbered property. The "amount at risk" is increased by any income and gain (as determined for federal income tax purposes) derived by such investor from the Fund, and is decreased by any losses (as determined for federal income tax purposes) derived by such investor from the Fund and the amounts of any withdrawals or other distributions received by such investor from the Fund. For purposes of the foregoing, "loss" derived by an investor from the Fund is defined as the excess of allowable deductions for a taxable year allocated to such investor by the Fund over the amount of income actually received or accrued by such investor during that year from the Fund. Disallowed loss that is suspended in any taxable year may be deducted in later years to the extent that the investor's amount at risk increases.

It is possible that an investor may be at risk with respect to his Interest in an amount that is less than his tax basis in such Interest.

In addition to the limitations discussed above, net capital losses are deductible by noncorporate taxpayers only to the extent of capital gains for the taxable year plus $3,000. Because of that limitation, an investor's distributive share of the Fund's net capital losses is not likely to materially reduce the federal income tax on such investor's ordinary income.

Syndication and Organization Expenses

Neither the Fund nor its investors will be entitled to any deduction for syndication expenses (*i.e.*, amounts paid or incurred in connection with offering and selling Interests, which may include amounts paid to agents to identify prospective investors in the Fund). The IRS could take the position that if the General Partner should pay agents to identify prospective investors in the Fund, a portion of the Management Fees and/or Incentive Allocations payable to the General Partner constitutes non-deductible syndication expense in the hands of the investors.

Organizational expenses of the Fund are not currently deductible, but may be deducted for federal

income tax purposes over a fifteen (15) year period.

Limitation on Deductibility of Interest

For noncorporate investors, Section 163(d) of the Code limits the deduction for "investment interest" (*i.e.,* interest or short sale expenses properly allocable to property held for investment) to the investor's "net investment income" (generally, net gain and ordinary income derived by such investor from investments in the current year less certain directly connected expenses, other than interest or short sales expenses). For this purpose, any long-term capital gain is excluded from net investment income unless the investor elects to pay tax on such amount at ordinary income tax rates. Interest expense incurred by an investor to purchase or carry an Interest, or incurred by the Fund to purchase or carry property for investment or to engage in short sales, constitutes "investment interest."

If the Fund borrows, thereby giving rise to "investment interest," each noncorporate investor in the Fund will receive its allocable share of the related interest expenses, to which the investment interest limitation will apply. Thus, a noncorporate investor in the Fund may be denied a deduction for all or part of his allocable share of the interest expenses attributable to his investment in the Fund unless he has sufficient investment income from all sources including the Fund. The excess of an investor's investment interest over net investment income may be carried forward to future years, subject to the same limitation.

Deductibility of Investment Expenditures by Noncorporate Investors

The Code provides that, in the case of a non-corporate taxpayer who itemizes deductions when computing taxable income, expenses incurred for the purpose of producing income (including investment management fees) generally must be aggregated with certain other "miscellaneous itemized deductions" and may be deducted only to the extent such aggregate expenses exceed 2% of such taxpayer's adjusted gross income. Further, such expenses are not deductible by a noncorporate investor in calculating his alternative minimum tax liability. In addition, the Code further limits the deductibility of investment expenses of an individual with an adjusted gross income in excess of a specified amount.

These limitations should not apply to a noncorporate investor's share of the Fund's expenses so long as the Fund is engaged in a trade or business, as defined by the Code. Specifically, the Code provides that expenses incurred in connection with a trade or business may be deducted in full against gross income, and thus, so long as the Fund is treated for tax purposes as being engaged in a trade or business, the expenses incurred will be fully deductible against the income earned at the Fund level, with the benefit of this deduction flowing through to the Fund's investors and not being subject to the limitations at the investor level.

The Fund will take the position that it is in a trade or business under the Code; however, there can be no assurance that the IRS would agree with this position or that this position would be upheld in court. If the IRS or a court should determine that the Fund is not engaged in a trade or business, the IRS may assert the position that an investor's allocable share of the Management Fees paid to the General Partner are investment expenses, subject to the limitations described above. The IRS might also contend that an investor's allocable share of the Incentive Allocations made to the General Partner are investment expenses subject to the limitations described above.

Foreign Taxes

Certain dividends and interest derived by the Fund from sources within foreign countries may be

subject to taxes (including withholding taxes) imposed by those countries. In addition, the Fund may be subject to capital gains taxes in some of the foreign

countries where it purchases and sells cryptocurrency. If applicable, the Fund will inform its investors as to their allocable shares of foreign taxes paid by the Fund, which such investors will be required to include in their income. An investor may be entitled, however, to claim a foreign tax credit or a deduction for its share of such taxes in computing its federal income tax. If applicable, the Fund will provide investors with information on any foreign taxes that may be eligible for the foreign tax credit or deduction.

Passive Activity Loss Rules

In the case of investors that are individuals, estates, trusts, certain closely-held corporations or personal service corporations, Section 469 of the Code generally restricts the deductibility of losses and credits from a "passive activity" against certain income which is not derived from a passive activity. For federal income tax purposes, such passive losses and credits are deductible by an investor only against such investor's passive income.

Tax Consequences to a Withdrawing Investor

For purposes of a partial withdrawal (or other distribution) from an investor's Account, its Interest is not divided into separate interests. Rather, an investor's Interest is "singular" even if the investor has made capital contributions to the Fund at different times, and a partial withdrawal (or other distribution) from an Account is treated for tax purposes as a distribution with respect to the entire related Interest. Thus, if an investor withdraws or otherwise receives a distribution of some but not all of his Account, the full amount of each withdrawal or distribution will be taxable as long-term capital gain, short-term capital gain or in some cases ordinary income or combinations of the foregoing (depending on the facts and circumstances, *e.g.*, the timing of such investor's capital contributions to the Fund) to the extent the amount of the withdrawal or distribution exceeds such investor's adjusted tax basis in such Interest. To the extent the amount of a withdrawal or other distribution does not exceed an investor's tax basis in an Interest, such withdrawal or other distribution is generally not reportable as taxable income but will reduce such tax basis, but not below zero. An investor generally will not recognize losses on partial withdrawals or other distributions.

Because an investor's tax basis in an Interest is not increased by such investor's allocable share of the Fund's income from investment activities until the end of the Fund's taxable year, partial withdrawals or distributions during the taxable year could result in taxable gain to the investor even though no gain would result if the same withdrawals or distributions were made at the end of the taxable year. Furthermore, the share of the Fund's income allocable to an investor at the end of the Fund's taxable year would also be includible in such investor's taxable income and would increase such investor's tax basis in its remaining Interest as of the end of such taxable year.

An investor receiving a cash distribution from the Fund in complete liquidation of his Interest generally will recognize capital gain or loss to the extent of the difference (if any) between the proceeds received by him and his adjusted tax basis in such Interest. Such capital gain or loss will be long-term, short-term or some combination of both, depending on the timing of such investor's capital contributions to the Fund. Notwithstanding the foregoing, Section 751 of the Code provides that a withdrawing investor will recognize ordinary income to the extent the Fund holds certain ordinary income items such as short-term obligations or market discount bonds, the

interest on which has not been included in the Fund's taxable income, regardless of whether the investor would otherwise recognize a gain on such redemption.

Under the LPA, the General Partner has the ability to specially allocate an amount of the Fund's income, gain and certain other items to a withdrawing investor to eliminate such investor's "book/tax disparity" in respect of his Account(s). Such an allocation may result in the withdrawing investor recognizing taxable income, which may include ordinary income and short-term gain, in his last taxable year in the Fund, thereby reducing the amount of long-term capital gain that such investor might otherwise recognize upon his receipt of withdrawal proceeds. Similarly, the General Partner has the ability to make a special allocation to an investor making a partial withdrawal from his Account, potentially accelerating his recognition of income.

Tax Treatment of Portfolio Investments

Taxation of Cryptocurrency

For tax purposes, in the U.S., cryptocurrency is generally treated as property (a capital asset like stocks, bonds, and other investment properties). It is not treated as currency like the U.S. dollar or other fiat currency . That means it is treated like real estate, precious metals or other investment property in most cases, and thus it is subject to the short and long-term capital gains tax in most cases when held for investment

Taxation of Securities Trading

Some cryptocurrencies may be deemed to be "securities" under applicable law. The Fund expects that it will act as a trader or investor, and not as a dealer, who buys and sells such cryptocurrency securities for its own account. A trader or investor is a person who buys and sells securities for its own account. As such, the Fund expects that gains and losses from its securities transactions typically will be capital gains and capital losses. These gains and losses will be short-term or long-term depending, in general, upon the length of time the Fund maintains a particular investment position or, in some cases, upon the nature of the transaction.

Wash Sales and Straddles

The wash sale rule is designed to prevent the recognition of loss from the disposition of property at a loss in a case in which identical or substantially identical property (or an option to acquire such property) is or has been acquired within a prescribed period. Under the wash-sale rule, the loss sustained on the sale of property will be non-deductible if, within the period beginning 30 days before and ending 30 days after the disposition the taxpayer acquires, or enters into a contract or option to acquire, substantially identical securities. The disallowed loss, however, is added to the basis of the newly- acquired property.

The Code contains special rules which apply to "straddles," defined generally as the holding of "offsetting positions with respect to personal property." In general, investment positions will be offsetting if there is a substantial diminution in the risk of loss from holding one position by reason of holding one or more other positions. The American Jobs Creation Act of 2004 (the "**2004 Tax Act**") repealed the general exception from the straddle rules for stock. The 2004 Tax Act provides that the straddle rules apply to offsetting positions consisting of actively traded stock and a position with respect to substantially similar property. The Fund may enter into investments that may constitute positions in a straddle when considered in conjunction with the other investments of the Fund or an investor.

If two or more positions constitute a straddle, recognition of a realized loss from one position must be deferred to the extent of unrecognized gain in an offsetting position. Where one or more

positions affect only a portion of one or more other positions, the positions are treated as offsetting only to the extent of the portion that is balanced. In addition, long-term capital gain may be recharacterized as short-term capital gain, or short-term capital loss as long-term capital loss. Interest and other carrying charges allocable to personal property that is part of a straddle are not currently deductible but must instead be capitalized.

The general deferral rules do not apply to "identified straddles." The 2004 Tax Act modified the definition of an "identified straddle." An "identified straddle" is one that was clearly identified as such on the Fund's records before the close of the day on which the straddle was acquired (or an earlier time if required by the Treasury Regulations), and, to the extent provided in regulations, the value of each position (immediately prior to the creation of the straddle) is not less than the basis of the position in hands

of the taxpayer at the time the straddle is created. The 2004 Tax Act provides that Treasury regulations will specify the proper methods for clearly identifying a straddle as an "identified straddle."

The 2004 Tax Act also modified the rules applicable to losses from identified straddles. The new rules no longer allow losses with respect to identified straddles to be treated as sustained on the day on which the Fund disposes of all positions comprising the identified straddle. Instead, the 2004 Tax Act provides that the basis of each of the identified positions that offsets the loss position must be increased by an amount that is based, in part, on any unrecognized gain in the offsetting position. Any loss that increases the basis of an offsetting position may not otherwise be taken into account.

The 2004 Tax Act also clarified the treatment of physically settled straddle positions. It treats as a two-step transaction physical settlements of positions that are part of a straddle. Under the 2004 Tax Act, if a person physically settles a position (and such position, if terminated, would result in a loss) then the transaction is treated as if the person (1) terminated the position at its fair market value immediately before the settlement and (2) sold the property delivered at fair market value.

The extent to which the rules above would apply to straddles consisting of the Fund's direct and indirect transactions and transactions by an investor in the Fund, in such investor's individual capacity, is unclear (*e.g.,* an investor in the Fund in its individual capacity owns a certain cryptocurrency and the Fund enters into certain short options with respect to such security). The IRS could contend that positions held by the Fund and positions held by the investor in his or her individual capacity should be aggregated and that such positions, when viewed in the aggregate, constitute a straddle. A prospective investor should review the application of these rules to its individual tax situation, giving special consideration to the potential interaction between the operations of the Fund and transactions entered into by such prospective investor in its individual capacity.

Section 1256 Contracts

The Code generally distinguishes between so-called "Section 1256 Contracts" and other interests in property. Section 1256 Contracts include regulated futures contracts, certain foreign currency contracts, and certain nonequity options. Under the Code, Section 1256 Contracts are subject to a "mark to market" system of taxation. Specifically, Section 1256 Contracts held by the Fund at the end of each taxable year of the Fund are treated for federal income tax purposes as if they were sold by the Fund for their fair market value on the last business day of such taxable year. The net gain or loss, if any, derived by the Fund from such deemed sales of Section 1256 Contracts (known as "marking to market"), together with any gain or loss derived by the Fund from actual sales of Section 1256 Contracts, must be taken into account by the Fund in computing its taxable income for such year.

Currency Fluctuations; Section 988 Gains or Losses

Generally, under Code Section 988, gains or losses with respect to investments in common stock of foreign issuers are taxed as capital gains or losses at the time of the disposition of such stock whereas gains and losses on the purchase and sale of foreign currencies are taxed as ordinary income or loss (except as described below). In addition, gains or losses on the sale of debt securities denominated in a foreign currency, to the extent attributable to fluctuation in the value of the foreign currency between the date of acquisition of the debt security and the date of disposition, are taxed as ordinary income or loss.

The Fund may enter into foreign currency futures contracts and foreign currency forward contracts and acquire put and call options on foreign currencies. Under Code Section 988, foreign currency futures contracts and foreign currency forward contracts are subject to ordinary income or loss treatment unless a valid capital treatment election is made. If the Fund enters into foreign currency futures contracts or acquires option contracts with respect to foreign currencies that qualify as Section 1256 Contracts, or certain foreign currency forward contracts, any gain or loss realized by the Fund with respect to those instruments will be ordinary unless (i) the contract is a capital asset in the hands of the Fund; (ii) the contract is not a part of a straddle transaction; (iii) the contract is not a regulated futures contract or nonequity option with respect to which an election to apply Code Section 988 in lieu of Code Section 1256 is in effect; and (iv) the Fund makes an election (by the close of the day the transaction is entered into) to treat the gain or loss attributable to such contract as capital gain or loss.

Generally, Code Section 988 sets forth the taxation of certain types of currency related transactions (so-called "**Section 988 Hedging Transactions**") which involve the reduction of a taxpayer's risk with respect to currency fluctuations on transactions such as: (1) borrowings (*i.e.*, loans);
(2) expenses or income items paid after the date of accrual; (3) dispositions of non-functional currencies (*i.e.,* a foreign currency); (4) any forward contract, futures contract, or other option or financial instrument that is not a foreign currency based regulated futures contract ("**RFC**") or non-equity option; and
(5) futures and non-equity options subject to Section 1256 that are brought into Section 988 under a Section 988(c) election. If a transaction qualifies as a Section 988 Hedging Transaction, gain or loss on the transaction is treated as ordinary gain or loss. To qualify as a Section 988 Hedging Transaction, such transaction must meet two requirements: (1) the transaction must be identified by the IRS or the taxpayer as a Section 988 Hedging Transaction and (2) the transaction must be made to reduce the risk of currency fluctuations on either (a) property held or to be held by the taxpayer; (b) borrowings made or to be made by the taxpayer; or (c) obligations incurred or to be incurred by the taxpayer.

Mixed Straddle Election

The Code allows a taxpayer to elect to offset gains and losses from positions that are part of a "mixed straddle." A "mixed straddle" is any straddle in which one or more but not all positions are Section 1256 Contracts. If the Fund has mixed straddle trading positions, it may be eligible to elect to establish

one or more mixed straddle accounts for certain of those positions. A mixed straddle trading account must, on a daily basis, "mark to market" all of its open positions and net all gains and losses from positions in such account. At the end of a taxable year, the annual net gains or losses from a mixed straddle account must be recognized for tax purposes. The application of the mixed straddle account rules (which are contained in Temporary Regulations) is not entirely clear. Therefore, there is no assurance that a mixed straddle account election made by the Fund will be accepted by the IRS.

Mark-to-Market Election

Section 475(f) of the Code permits traders in securities to elect to "mark to market" securities held in connection with their trading business. An electing trader will recognize (as ordinary income) gain or loss on any security held in connection with such trade or business at the close of a taxable year as if such security were sold for its fair market value. To the extent the mark-to-market rules apply to a security, the special rules regarding interest and carrying costs related to straddles, the mark-to-market rules regarding certain Section 1256 contracts (including regulated futures contracts), and the wash sale rules on stock and securities will not apply. Once made, an election may be revoked only with the consent of the IRS. The Fund does not intend to make a Section 475(f) election.

State and Local Taxes

Each investor may be required to file returns and pay state and local tax on such investor's share of the Fund's income in the jurisdiction in which such investor is a resident and/or other jurisdictions in which income is earned by the Fund. Certain of such taxes could, if applicable, have a significant effect on the amount of tax payable by an investor in respect of his investment in the Fund. An investor may be entitled to a deduction or credit against tax owed to such investor's jurisdiction of residence for taxes paid to other states or jurisdictions in which such investor is not a resident.

Tax Audits

Adjustments in tax liability with respect to the Fund's tax items generally will be made at the Fund level in a single proceeding rather than in separate proceedings with each investor. In general, the General Partner will represent the Fund as the "tax matters partner" during any audit and in any dispute with the IRS and may enter into a settlement agreement with the IRS that may be binding on you. Before settlement, however, an investor may file a statement with the IRS that the General Partner does not have authority to bind such investor with respect to the Fund.

The General Partner has the authority to, and may, extend the period for the assessment of deficiencies or the claiming of refunds with respect to all investors in the Fund. If an audit results in an adjustment, all investors may be required to pay additional tax, interest and possibly penalties. There can be no assurance that the tax return of the Fund or any Fund investor will not be audited by the IRS or that no adjustments to such returns will be made as a result of such an audit.

Withholding Taxes

The Fund may be required, on behalf of an investor, to withhold and remit taxes to federal, state, local or other jurisdictions from such investor's allocable share of the Fund's income. Withholding taxes may apply, for example, to persons who are subject to "back up" withholding.

Disclosure of Tax Structure and Treatment

The Fund does not believe that an investment in Interests is reportable as a confidential tax shelter transaction. An investor may disclose the anticipated tax treatment and tax structure of the Fund.

Tax Shelter Reporting

Tax shelter regulations issued by the IRS may require the Fund to maintain a list of the names and taxpayer identification numbers of its investors, which list may be subject to disclosure to the IRS upon its

request. In addition, an investor may be required to file a disclosure with the IRS (on IRS Form 8886

– Reportable Transactions Disclosure Statement) with respect to certain transactions entered into by the Fund. Published guidance on these regulations indicates that the tax shelter disclosure requirements should not apply to investments that are subject to certain "mark-to-market" provisions of the Code. The Fund expects that some or all of its investments will satisfy this exception, but there can be no assurance that the regulations will not otherwise apply to you. Accordingly, you should consult your federal tax advisor with respect to the applicability of the tax shelter regulations to your investment in the Fund, especially if you report losses from the Fund.

SPECIAL CONSIDERATIONS FOR BENEFIT PLAN INVESTORS

This section summarizes certain consequences under the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and the Code that a fiduciary of an "employee benefit plan" as defined in and subject to ERISA or of a "plan" as defined in and subject to Section 4975 of the Code who has investment discretion should consider before deciding to invest the plan's assets in an Interest (such "employee benefit plans" and "plans" being referred to herein as "**Plans**," and such fiduciaries with investment discretion being referred to herein as "**Plan Fiduciaries**").

This summary is based upon the applicable provisions of ERISA and the Code and the relevant regulations, rulings and opinions issued by the U.S. Department of Labor (the "**DOL**") and the IRS. No assurance can be given that legislative or administrative changes or court decisions that may significantly modify the statements made herein will be be forthcoming. Any such changes may or may not apply to transactions entered into prior to the date of their enactment. Further, this summary is not intended to be complete, but only to address certain questions under ERISA and the Code that are likely to be raised by the Plan Fiduciary's own counsel.

Considerations for Plan Fiduciaries

ERISA requires a Plan Fiduciary to consider, among other things, whether: (i) the Plan's investment in an Interest would be solely in the interest of the Plan's participants and beneficiaries and for the exclusive purpose of providing benefits to such participants and beneficiaries; (ii) would be a prudent investment for the Plan; (iii) the investments of the Plan, including the Plan's proposed investment in an Interest, are diversified so as to minimize the risks of large losses; and (iv) an investment in an Interest would comply with the documents of the Plan and related trust. A Plan Fiduciary should also consider the reasonableness of the compensation being paid to the General Partner and other service providers (including, among other things, the level of each fee and the term of each relevant arrangement).

Consequences of Investments by Benefit Plan Investors

The Fund may sell Interests to "**Benefit Plan Investors**," namely: (i) "employee benefit plans" as defined in ERISA, regardless of whether such plans are subject to ERISA, (ii) "plans" as defined in the Code, regardless of whether such plans are subject to Section 4975 of the Code, and (iii) entities deemed for any purpose of ERISA or Section 4975 of the Code to hold assets of any "employee benefit plan" or "plan" due to investments made in such entity by such "employee benefit plans" and "plans." Benefit Plan Investors include, by way of example and not of limitation, corporate pension and profit sharing plans, "simplified employee pension plans," Keogh plans for self-employed individuals (including partners),

individual retirement accounts, medical benefit plans, life insurance plans, church pension plans, governmental pension plans, foreign pension plans, and bank commingled trust funds, or insurance company separate accounts, for such plans and accounts.

The Fund does not intend to permit Benefit Plan Investors to hold 25% or more of the Interests of any class (generally excluding Interests of such class held by the General Partner and any of its affiliates, other than affiliates that are Benefit Plan Investors).

If, however, through inadvertence or other factors, Benefit Plan Investors should hold 25% or more of the Interests of any class, the Fund's underlying assets would become "plan assets" under ERISA with respect to those investors that are Benefit Plan Investors subject to ERISA or the Code. (The 25% level is measured each time an Interest in a particular class is purchased or redeemed.) This would cause

the General Partner to be a "fiduciary" within the meaning of ERISA and Section 4975 of the Code to the extent it manages or controls such "plan assets" within the meaning of the term "fiduciary." Thus, a person considering investing in the Fund should evaluate the "plan asset" consequences of an investment in an Interest, including the risk that unintended prohibited transaction or fiduciary duty delegation consequences may arise under ERISA or the Code. Whether or not the Fund's underlying assets are "plan assets" under ERISA, these persons should consult with their counsel as to the ERISA consequences of an investment in an Interest by a Benefit Plan Investor.

Benefit Plan Investors should be aware that the Fund may borrow cash to purchase securities and that, as a result, a portion (perhaps a substantial portion) of the Fund's income may be treated as "unrelated business taxable income." An investment in the Fund therefore may not be suitable for Benefit Plan Investors, which should consult their tax, legal and financial advisers regarding the tax considerations involved in an investment in the Fund.

The person having investment discretion over the assets of a Benefit Plan Investor should consult with its own legal counsel and other advisors as to the propriety of an investment in an Interest in light of the circumstances of such Benefit Plan Investor. The Fund's acceptance of a subscription by a Benefit Plan Investor is in no respect a representation by the Fund or any other party that an investment in an Interest is appropriate for or meets the relevant legal requirements governing such Benefit Plan Investor.

PRIVACY POLICIES

Financial institutions like the Fund and General Partner are required to provide privacy policy notices to their clients. We believe that protecting the privacy of your nonpublic personal information ("personal information") is of the utmost importance. Personal information is nonpublic information about you that is personally identifiable and that we obtain in connection with providing a financial product or service to you. For example, personal information includes information regarding your account balance and investment activity. This notice describes the personal information that we collect about you, and our treatment of that information.

- We collect personal information about you from the following sources:
    - (i) Information we receive from you on fund subscription documents and related forms (for example, name, address, Social Security number, birth date, assets, income, and investment experience).

(ii) Information about your transactions with us, our affiliates, or others (for example, account activity and balances).

• We do not disclose any personal information we collect, as described above, about our customers or former customers to anyone other than in connection with the administration, processing and servicing of customer accounts or to our accountants, attorneys and auditors, or otherwise as permitted by law.

• We restrict access to personal information we collect about you to our personnel who need to know that information in order to provide products or services to you. We maintain physical, electronic and procedural controls in keeping with federal standards to safeguard your nonpublic personal information.

• We reserve the right to change this Notice, and to apply changes to information previously collected, as permitted by law. We will inform you of any changes as required by law

EXHIBIT A

LIMITED PARTNERSHIP AGREEMENT

Exhibit B

FORM OF SUBSCRIPTION AGREEMENT AND LIMITED POWER OF ATTORNEY
PLUTUS CAPITAL, LP

Plutus Capital LP.