

**DAFM**

**DIGITAL ASSET  
FUNDS MANAGEMENT**

Digital Asset Fund

DUE DILIGENCE QUESTIONNAIRE

1. Company Information

1.1. Contact details:  
Digital Asset Funds Management Pty Ltd  
Level 57, MLC Centre  
19-29 Martin Place  
Sydney NSW 2000

Contact: Clint Maddock  
Suite 401, 25 Lime Street,  
Sydney NSW 2000  
+61 421 300 329 (mobile)  
+61 2 8355 4706 (office)  
clint@dafm.io

1.2. How many employees do you currently have in total?

24

1.3. What are the roles and responsibilities and where are they located?

Individual	Title	Key Responsibilities
Clint Maddock (Sydney, Australia)	Co-Founder & Director	<input type="checkbox"/> Strategy <input type="checkbox"/> Research <input type="checkbox"/> Idea generation <input type="checkbox"/> Risk monitoring and execution
Mike Gilbert (Sydney, Australia)	Co-Founder & Director	<input type="checkbox"/> Operations <input type="checkbox"/> Compliance <input type="checkbox"/> Business development
Luke Hazelgrove (Sydney, Australia)	Head of Trading	See below

Dan Nicoladies (Sydney, Australia)	Head of Digital Assets Trading	See below
Colin Pickup (Sydney, Australia)	Head of Technology	See below
Matthew Fitzpatrick (Sydney, Australia)	Head of Engineering	See below
Sergey Derevyanko (Sydney, Australia)	Senior Software Engineer	See below
Neil Macdonald (Brisbane, Australia)	Head of Distribution	<input type="checkbox"/> Capital Introduction <input type="checkbox"/> Key investor targeting <input type="checkbox"/> Investor communications <input type="checkbox"/> Marketing
Allison Ramadge (Sydney, Australia)	Head of Operations	<input type="checkbox"/> Operations <input type="checkbox"/> Fund administration

- 1.4. Who are the key senior individuals in each function? Provide a brief biography for each of these people, describing their relevant experience, credentials and the rationale for them being hired into the specific roles they hold.

### **Clint Maddock**

Clint is an Australian national with over 18 years of experience trading complex derivative products. He studied Aerospace Engineering at the Australian Defence Force Academy before transferring to the University of New South Wales to complete a Bachelor of Mechanical Engineering (First Class Honours).

He started his career at IMC in Sydney, an international derivatives trading house, while completing a Master of Commerce specialising in Funds Management. In 2006 he went on to co-found Tibra, where he started and managed the Japanese and Korean trading desks that

regularly traded up to 10% of the daily derivatives volume as well as holding the role of Director of Tibra's emerging investment management business.

Clint co-founded Ark International Group (AIG) in 2012. Over the course of his career Clint has successfully navigated several major financial disruptions and continues to build AIG's presence in the global markets during a volatile period in the world's history. With AIG's move into digital assets Clint's vast experience will ensure a sensible and risk averse approach is taken by the experienced team at AIG

### **Mike Gilbert**

Mike Gilbert is a New Zealand national with 30 years' experience spanning derivatives trading & broking, high frequency trading and Clearing in the London, Hong Kong and Sydney financial markets.

In London Mike headed up the equity derivatives broking team for OMX London for three years before moving into trading Scandinavian equities derivatives for 7 years for a London based market making firm. From 2004 to 2012 Mike worked for Newedge Bank (owned by Societe Generale) in Australia and Hong Kong where he held the position of Managing Director responsible for the High Frequency Trading (HFT) and Clearing divisions for Asia Pacific. Over these 8 years Mike significantly grew the business for the bank in terms of both the revenue and customer base.

Mike co-founded Ark International Group (AIG) in 2012 where he is responsible for business development, compliance and managing day to day operations. With experience in building strong frameworks around new products to ensure their success, Mike's expertise fits in well with the other members of the team.

### **Luke Hazelgrove - Head of Trading**

Luke has 16 years' experience in financial markets primarily in the derivatives space. He began his career as a Market Risk Analyst before moving into trading for proprietary firms. Luke has extensive experience as an Exchange Traded Option Market Maker in Australian Equities and also across a range of Asian Index products. He spent several years heading up a successful Australian cash trading team covering Dual Listed Companies, Index basket volatility and spread trading which focussed on both pure and statistical arbitrage strategies.

More recently Luke has focussed on HFT index futures trading and cross market statistical arbitrage. Luke is currently Head of Trading at Ark International Group and manages a team of 5 traders across several asset classes. He works closely with the development team to build profitable, robust trading systems with sophisticated inbuilt risk management layers. His experience and knowledge of financial markets coupled with his ability to leverage the skills of

his team and co-workers ensures that we consistently deliver exceptional risk adjusted returns to stakeholders.

### **Dan Nicoladies – Head of Digital Assets Trading**

After completing a BSc (1st Class honors in Applied mathematics) at Monash University, Dan moved to London beginning his career at Credit Suisse in the early 2000's. His first role was in Product Control, focused on the Valuation, Booking, Accounting treatment and PL reporting of the Exotic Derivative Business. He gained 5 years of experience in that role before moving to Hong Kong in 2006. In Hong Kong he worked on Credit Suisse's Hybrid Derivatives desk until moving to Royal Bank of Canada in 2009 as a Swaps Trader, and then in 2010 to Zurich to start a Long-Dated FX Option business for UBS. He remained in Zurich until 2016, trading various complex derivative portfolios including running the European Emerging Markets FX Options business.

Upon his return to Australia in 2019 Dan immersed himself in the rapidly emerging Cryptocurrency Derivative markets. With his extensive background across numerous Derivative markets he quickly identified opportunities in this space, particularly in the Funding/Futures markets that were, and to a large extent still are, nascent. While seeing the opportunity he didn't have the technical skills to create the kind of systems that could effectively monetise these opportunities. Ark, with its long background in trading traditional financial markets using sophisticated algorithms developed inhouse and proprietary trading systems provided a perfect matching of skills to create a business.

### **Colin Pickup - Head of technology**

Colin has extensive experience in creating comprehensive solutions to complex problems: integrating software, hardware and domain expertise together to produce elegant and usable solutions. He has worked in a diverse range of problem domains: computer-controlled embroidery, real time video editing, typesetting, call center command and control, high-performance Object-Oriented databases, Writing Systems for the world's fastest inkjet printer and very low latency HFT trading in markets around the world. He has worked at world renowned research facilities such as Bells Labs Research and Canon Information Systems Research Australia(CISRA) and also in many R&D start-ups growing teams from green fields, Colin now brings his diverse range of experience together to lead the development of a world leading crypto currency trading system.

### **Matthew Fitzpatrick - Head of Engineering**

Matthew is a seasoned professional who brings a lifetime of experience delivering solution

design and technical leadership on mission-critical systems. He has led development efforts in the domain of business systems, mobile, web, and low-latency financial trading across a range of organisations including corporate, government, and start-ups.

### **Sergey Derevyanko - Senior Software Engineer**

Sergey holds over 33 years of experience in software engineering, system design, and architecture. Organisations such as Keycorp, CiSRA (Canon Imaging R&D), Aristocrat, and Google have trusted Sergey in every step of the system and application development lifecycle. Role highlights include Technical Project Architect at Keycorp (Next generation payment terminal), Principal Software Engineer at CiSRA, and Staff Software Engineer at Google.

In addition to the current financial trading projects at Ark, Sergey has worked on key projects that include Eftpos system design, Google Maps, and large-scale print rendering systems. At Ark International, Sergey is developing the trading exchange interfaces for crypto-currency trading

See website ([www.dafm.io](http://www.dafm.io)) for additional staff profiles

- 1.5. Do any of your team members have previous experience and qualifications in finance or fund management?  
Yes. please refer to key staff profiles
- 1.6. Describe policies that you have in place to mitigate “key-man risk” in relation to all the firm’s key individuals.  
Significant equity stakes provide incentivisation.
- 1.7. What is the highest and lowest number of employees you have had in the last 3 years? Explain any significant employee turnover.  
Highest: 24 (current), Lowest 18 - very low turnover of staff
- 1.8. List all branch or affiliated offices. If applicable, also list locations in other countries where employees and contractors regularly remote from.
  - Sydney, Australia NSW 2000
  - Wellington, New Zealand
  - Bordeaux, France
- 1.9. List the firm’s administrator, auditor, legal counsel, bank, custody (if applicable) by company name, contact, address and phone number.

Function	Details
Administrator	Ascent Fund Services Contact: Calvin Tan Phone: +65 6978 4781 Address: 7 Temasek Boulevard, #07-07A Suntec City Tower 1, Singapore 038987
Auditor	BDO Level 11, 1 Margaret Street Sydney NSW 2000 Web: <a href="http://www.bdo.com.au">www.bdo.com.au</a>
Custody (Fireblocks)	Fireblocks Contact: Carol Sun Phone: +65 8468 5597 Address: Singapore
Prime Broker	ED&F Man Capital Markets Contact: Dennis Wenzel Phone: +1 312 300 5000 Address: 425 S Financial Place, Suite 1850 Chicago, Illinois 60605 USA
Lawyers	Baker McKenzie Contact: Alan Darwin Phone: +61 2 8922 5114 Address: Level 46, Tower One - International Towers Sydney 100 Barangaroo Avenue Sydney NSW 20004
Bank - Australia	Westpac Banking Corporation
Bank - US	Signature Bank

1.10. List any other significant service providers to the firm

Function	Details
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Exchanges	Bakkt, Binance, Bitmex, Bybit, CME, Deribit, FTX, Huobi, OKX, OSL
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- 1.11. What are the functions performed by the Administrator?
- Unit holder/Investor registry
  - Client onboarding (AML/KYC)
  - Preparation and distribution of monthly NAV statements
  - financials and preparation of yearly financials
- 1.12. Is the investment manager involved in the valuation process with the administrator?
- No, apart from the collation of data/trading records, however where a dispute arises the administrator may consult with the investment manager to resolve.
- 1.13. Has there been any change to the ownership structure since the inception of the Company?
- No.
- 1.14. Have any of the management or fund entities applied to be authorised or regulated by any regulatory entity, if so, which entities and which regulators?
- Digital Asset Funds Management Pty Ltd (ACN 645 472 813) (Trustee or DAFM), Corporate Authorised Representative of Quay Wholesale Fund Services Ltd (AFSL No. 528526) (Quay), is the trustee and investment manager of the Digital Asset Fund. Quay Wholesale Fund Services Ltd (ABN 55 647 044 602; AFSL No. 528526) (Quay) has been authorised by the Trustee under an Intermediary Authorisation Agreement pursuant to section 911A(2)(b) of the Corporations Act 2001 (Corporations Act) to arrange for the issue, variation and disposal of the Units in the Fund by the Trustee.
- 1.15. Have any regulators examined, visited, audited any of them anagement entities, if so when and what were the results?
- No
- 1.16. Are there any past and current legal or regulatory complaints, litigations, arbitrations, reparations, or administrative proceedings currently facing the Company, the Fund, directors, senior employees, or portfolio managers or any other employees?
- No
- 1.17. Does the firm hold appropriate professional indemnity insurance (“PII”) and Directors &

Officers (“D&O”) insurance?

No – given our focus is on the digital asset markets, insurance is not yet available. DAFM holds the relevant property and employee insurances in Australia.

1.18. Please advise the company registration history.

Digital Asset Funds Management was incorporated on 28 October 2020.

The Digital Asset Fund Trust deed was stamped on 29 January 2021.

1.19. Please advise any regulatory audits / enforcement actions.

N/A

1.20. How frequently are the funds audited?

Annually

1.21. Who audits the funds? How was the auditor selected?

BDO. We ran a selection process between PWC and BDO.

Experience with Digital Asset Funds was a key determinant

1.22. Does the auditor provide consultancy services to the firm?

No

1.23. Please advise if the current team has any outside management interest or affiliations to other investment managers or financial institutions or outside business interests.

DAFM directors, Clint Maddock and Mike Gilbert are also the directors of Ark International Group (AIG), an Australian owned and based proprietary trading company. AIG has a successful 10-year track record trading its own capital in high-frequency and medium frequency strategies across global exchanges, covering futures, options, equities, FX and ETFs.

1.24. Please advise compensation / retention policy for employees.

Fixed salary for key staff with equity participation over time for junior staff and discretionary bonuses

1.25. Do you perform background checks on new joiners? Do you re-perform background checks for employees after a certain number of years?

Yes – on joining

1.26. Does the firm have any affiliated broker dealers? If so, please provide details on the affiliated broker dealers.

No

1.27. Are any staff of the Firm related? Please provide their relationship.

No

1.28. Does the Fund have a key man clause? Please provide details.

No

## **2. Fund Information**

2.1. Fees (management, incentive, expense to NAV ratio, if applicable) and the methodology used to determine fees?

Digital Opportunities Class      2% pa Management Fee, 25% Performance Fee

Bitcoin Index Class                2% pa Management Fee, no Performance Fee

Digital Index Class                 2% pa Management Fee, no Performance Fee

Performance fee is 25% (excluding GST) of the total return of the Unit (after management fees and expenses have been deducted subject to the high water mark being met in the relevant calculation period.)

Please refer to Information Memorandum

2.2. What Share Classes are available and are there different fee structures?

See 2.1

2.3. What are the redemptions terms? Please include notice periods.

The redemption terms are located in the Information Memorandum. Reproduced in brief here:

### **Digital Index Class and Bitcoin Index Class**

Units in these Classes may be redeemed at the option of the Unitholder on any

Redemption Day by submitting the completed Redemption Request not less than 5 business days prior to the Redemption Day (or such shorter period as the Trustee may permit, either generally or in any particular case). Units will be redeemed at the relevant Redemption Price and may be effected in cash (wire transfer) or, in the sole discretion of the Trustee, in whole or in part by way of distribution of Digital Assets. The Redemption Price of a Unit equals the Net Asset Value per Unit as at the Valuation Day immediately preceding the relevant Redemption Day less the Transaction Costs per Unit if any. No redemption fee will apply to these Classes.

### **Digital Opportunities Classes A & B**

Units in Digital Opportunities Classes A & B are subject to a lock up period of 90 days from their Issue Date (the Lock-Up Period). Investors who wish to redeem their investment in Digital Opportunities Classes A & B in the Fund prior to the Lock-Up Period can make a Redemption Request, however, the Redemption Request will only be processed after the relevant Redemption Date which occurs on or after the expiry of the Lock-Up Period.

The Lock-Up Period limitation applies to new investors only. Any subsequent investments by existing Unitholders are not subject to lock-up.

After the expiry of the Lock-Up Period, Units in Digital Opportunities Classes A & B may be redeemed monthly by submitting the Redemption Request not less than 45 days prior to the Redemption Day following the end of the Lock-Up Period (or such shorter period as the Trustee may permit, either generally or in any particular case). Units will be redeemed at the relevant Redemption Price. The Redemption Price of a Unit equals the Net Asset Value per Unit of the relevant Class and Series as at the Valuation Day immediately preceding the relevant Redemption Day less the Transaction Costs per Unit if any. As with all other redemptions, any such redemption may be effected in cash or, in the sole discretion of the Directors, by way of distribution of Digital Assets in kind.

The redemption of Units in Digital Opportunities Classes A & B is subject to 2% of redemption fee which will be waived if the investment in the Digital Opportunities Class is held for more than 12 months.

2.4. Are hard lock up periods negotiable?

Yes

2.5. Have redemptions ever been suspended?

No

2.6. Any fund level or investor level gates?

No

- 2.7. Is there a high water mark?  
Yes
- 2.8. Have any investors been granted rebates, or side letters?  
No
- 2.9. Does the fund operate side pockets?  
No
- 2.10. Do you offer managed account services?  
No
- 2.11. Current and Target AUM for fund(s)  
Current AUM AUD\$70m  
Target AUM of AUD\$200m for Digital Opportunities Class in the medium term.
- 2.12. Which fund(s) are currently open?  
Digital Opportunities Class and the Bitcoin Index Class
- 2.13. Inception dates for fund(s)  
May 2021
- 2.14. Expense management: what expenses are charged to the fund rather than to the management company?  
The Fund bears its own ordinary operating expenses, including trade related expenses, management fee, legal fees, accounting, auditing, tax, custodial, administrative, liability insurance premiums, printing and mailing, expenses related to unit holder documents, licensing fees.
- 2.15. Does the Investment Manager use external parties, such as independent placement agents or distributors, to raise assets? If so, please provide details.  
Not at this time.
- 2.16. What is the process by which investors can change the Investment Manager and wind down the Fund, if needed?

Full terms can be found in the Trust Deed.

- 2.17. Does the fund have term lending facilities? If yes, please advise the lending terms

Yes - We are set up with Celcius Blockfi and Blockchain.com.

Terms vary. Rates are circa 2.5% pa on an open loan.

- 2.18. Does the fund utilise leverage? If yes, please advise the terms.

The Fund may obtain leverage, when deemed appropriate, including, without limitation, through borrowing cash, securities and other instruments and entering into derivative transactions and repurchase agreements. The Fund may pledge assets as security for borrowings. The total leverage in the Fund will not normally exceed six times the latest net asset value of the Fund.

- 2.19. Who are typically the largest types of investors in the Fund?

High Net Worth individuals, Self Managed Superannuation funds, Family Offices and Staff

- 2.20. What costs are charged back to the Fund?

See 2.14

### **3. Investment strategy and management of the Fund**

- 3.1. Please provide an overview of the investment strategy of the Fund.

#### Digital Opportunities Class

The Digital Opportunities Class is a market neutral fund which employs low-risk strategies in the crypto derivatives space to monetise market inefficiencies. Trade examples include basis and term structure trading, low-risk or hedged liquidity provision and event driven volatility trading.

#### Bitcoin Index Class

Long only Bitcoin tracker.

#### Digital Index Class (yet to be seeded)

Yet to be seeded. This class offers investors exposure to a basket of the top 10 cryptocurrencies, excluding stable coins, rebalanced monthly.

3.2. Describe the investment methodology / process.

#### Digital Opportunities Class

The Digital Opportunities class is a high-frequency trading inspired strategy. The firm's strong and established background in quantitative trading set the foundations for the fund's investment process.

Investment ideas (Trading and research teams) are tested through a rigorous back testing framework (Technology team).

If the ideas show an improvement to the existing returns profile, they are tested in a simulation environment before being rolled out to production systems.

3.3. Please provide the list of instruments the fund intends to trade.

The fund trades the most highly traded crypto currencies and derivatives, which currently number about 30.

3.4. What kind of market situation is the worst case for the Fund? What is the best market situation?

Worst case is anything that removes volatility and/or market participation, such as a crypto winter or stifling regulatory changes. Best market conditions are extreme volatility or large trading volumes.

3.5. What do you believe are the unique differentiating factors of your strategy/approach?

- Extremely experienced and large development team
- Employees that have traded through the extreme volatility of the GFC and Covid
- Successful trading strategies in TradFi of 20 years in automated market making of global derivatives markets, in volatile and quiet regimes
- An actual market neutral approach to trading crypto, not only advertised but practised
- The ability to take advantage of market inefficiencies at the millisecond level 24/7
- Ability to continually research, refine and implement existing and new attractive risk adjusted strategies

3.6. To what extent are investment decisions driven by automated decision processes, e.g. computer based models?

We are a systematic firm. Almost all the trading is done systematically.

3.7. What do you think is the maximum capacity of your strategy? What are the constraints?

AUD\$200m+ for the Digital Opportunities Class, based on current market conditions. As market conditions change and our strategies mature and improvements are made, the target capacity will change.

AUD\$500m+ for the Bitcoin Index and Digital Index Classes

3.8. What is the (expected) portfolio turnover per year?

Digital Opportunities Class is approximately 20-40x per month, the other classes are very low

3.9. What is the targeted risk and return p.a.?

Digital Opportunities Class targets > 35% annual returns net to investors with realised volatility of < 15% pa

3.10. What are the key risks?

See the information memorandum for further disclosure, some examples include:

- Adverse regulatory developments
- Legality of digital currencies
- Liquidity risk for some assets
- Custody of digital assets/exchange failures

3.11. How would you describe the competitive landscape?

In Australia, there are a number of firms offering multi-strategy funds and some long-only funds although the landscape changes rapidly. We believe we are in a unique position given the depth of knowledge the team has in automated trading. To our knowledge, our returns in the market neutral crypto space are without parallel.

## 4. Operations

4.1. Please describe your controls around cash management (e.g. segregation of duties between beneficiary set-up in banking systems, payment authorization and reconciliation). Who has the authority to move cash from the fund's bank accounts? Is any instruction of a cash transfer confirmed and operated by your administrator? If not, please specify how you move cash.

Cash movements from the Fund's bank account are controlled by the trustee, DAFM. Clint Maddock and Mike Gilbert can input and authorise cash movements.

- 4.2. Are expenses (professional & legal fees, administration charges, and other incidental expenses) charged to the fund? If so, please describe controls and processes in place to review, approve and reconcile fund expenses.
- Outside of Administration fees only minimal Fund-specific regulatory fees and legal expenses have been charged to the Fund.
- 4.3. Who has the authority to initiate trades?
- Clint Maddock, Mike Gilbert, Luke Hazelgrove and Dan Nicolaides
- 4.4. By whom and how are the transactions to be reconciled?
- DAF uses internally developed systems to monitor and reconcile storage of all trades. The Administrator uses Hedgeguard Crypto PMS which has API access to all exchange accounts and produces an independent account of all trading and asset movements monthly.
- 4.5. Do you have a trade error policy and do you report trade errors to your investors?
- Yes. No.
- 4.6. Who will calculate the NAV and who and who verifies the pricing of each security?
- The Administrator calculates the monthly NAV which DAFM compares to its internal estimates – to date no material discrepancies have occurred. The Administrator reports all monthly NAV movements and financials to investors directly and through an emailed statement and an online investor portal. DAFM also provides an investor report monthly including market commentary and analysis.
- 4.7. Please let us know if there is any manager pricing or a booking at cost now and in the past? If so, please tell us how much of your portfolio, how many positions, and what kind of positions? How do you assess reasonability of such pricing?
- N/A
- 4.8. When are preliminary and final performance numbers and month-end NAV available? How is the information disseminated?
- Internal estimates are typically ready within 48 hours of month end. The Administrator generally distributes month-end figures between 10 and 15 days after month end.

4.9. What is your policy on valuing assets if market values are not frequently and publicly quoted? Please explain how and how frequently you obtain valuations for illiquid or obscure assets / tokens?

The fund does not trade or invest in illiquid or obscure assets/tokens.

4.10. Can fund performance be transmitted to us electronically on a regular basis, and at what periodicity?

No

4.11. What level of transparency do you report to your investors? Please explain what information you will and will not provide.

We provide monthly investor reports; however, we do not provide an exact strategy breakdown. Each report will contain commentary around our current market thoughts.

4.12. What databases, publications, indexes or other available sources does the manager regularly report performance to?

Australian Fund Monitors ([www.fundmonitors.com](http://www.fundmonitors.com))  
<https://www.fundmonitors.com/fund-factsheet.php?FundID=3623>

4.13. If the fund uses a custodian please describe the cold storage, hot wallet custody arrangements and access management (both hot wallet to cold storage and hot wallet to exchange).

The Fund uses Fireblocks for security of managing equity transfers between exchanges, sub accounts and Defi addresses. Fireblocks offers the flexibility to refine the roles and responsibilities of the DAFM staff.

4.14. Does the custodian produce and release to investors a Service Organization Controls (“SOC”) type report (e.g. to US SSAE18 or international ISAE3402 auditing standards)?

Yes, please refer to:

<https://www.fireblocks.com/blog/how-we-meet-institutional-standards-insurance-compliance-security/>

## 5. IT Systems

5.1. Please describe your IT environment.

Key data is held in a secure IT environment. Physical back-ups are stored in secured, third party facilities geographically dispersed with biometric security measures. Internal data and documents are stored in a secure google cloud server and backed up on password protected drives which are securely stored off-premise as well as daily electronic back-ups taken by an independent, specialist recovery service.

5.2. Have you ever experienced significant information security breaches and cyber attacks (e.g. malware, password phishing, SQL injection attack, Denial-of Service, session hijacking, internal threat actor, advanced persistent threats, etc.) of your systems?

No

5.3. Do you have an information security policy document available for our review? If no, please respond to the questions below.

No

5.4. Do you have a dedicated information security professional or security operations team? If so, who do they report to?

Yes - Mike Gilbert and Clint Maddock

5.5. Do you conduct or commission independent and regular security penetration tests of your environment? Please describe the extent of tests, who performs the tests, systems used and to whom results and findings are reported to.

No. We are specialists in our field so it would be a bit pointless.

5.6. Do your employees undergo information security awareness training? If so, how often?

Our internal team regularly audit the business and provide feedback where appropriate.

5.7. Please describe your patching policy and processes for operating systems and applications.

N/A

- 5.8. Please describe any other key information security systems, processes and frameworks in place at your firm such as desktop agents/anti-virus, network anti-virus, intrusion detection system, SIEM, etc.

All Firm PC or laptop hardware has installed anti-virus and malware detection software set to periodically review/screen for threats. Key external cloud hosted infrastructure has threat and operating monitoring software and systems installed

## 6. Risk Management

- 6.1. How long does it take to liquidate the entire portfolio?

The majority of the Digital Opportunities Class position could likely be liquidated, orderly, in less than 24 hours.

Bitcoin Index class could be liquidated, orderly, in minutes.

- 6.2. How do you use options or futures? Describe your risk limits and guidelines towards options, futures and derivatives. Can the fund sell options or futures?

The Fund predominantly trades futures. The following are the primary risk limits we utilise to mitigate market risk - Kill switch, trade out switch, loss limits, order rate throttles, trade order response delay, stale market data limits, maximum spread limits, crossed price checks, maximum asset move limits, fill rate limits, market participation throttles, position limits, exchange limits, maximum trade sizes.

## 7. Investors

- 7.1. Does any investor have preferential liquidity or terms? If yes, please specify.

Yes - There are Class B units for the Digital Opportunities Class that are available only to staff. The class B units pay no performance fee.

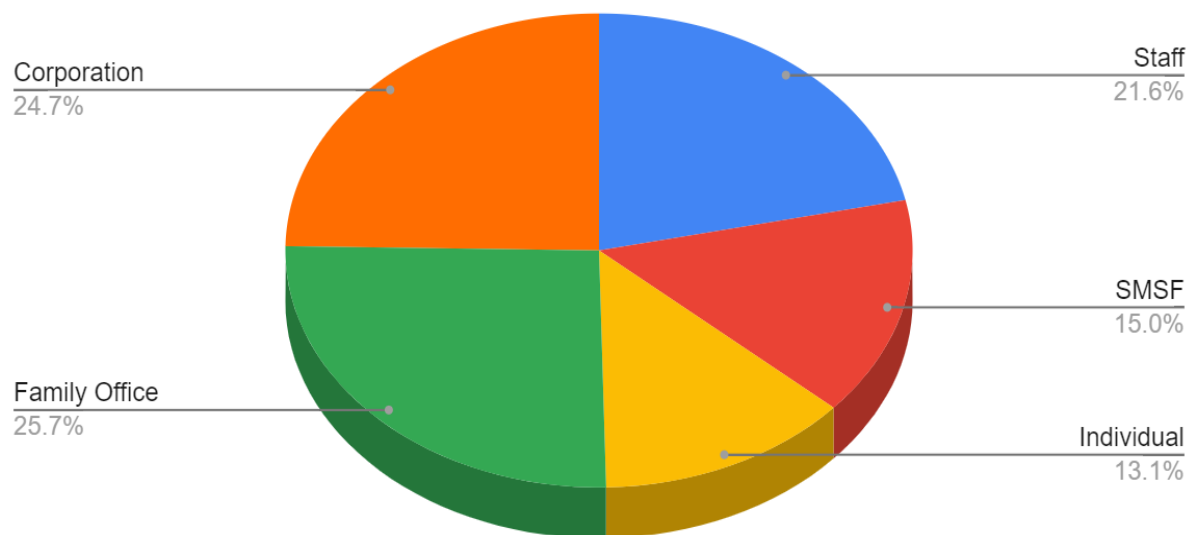
- 7.2. Please tell us how much company staff has invested into the funds (if so, which class?). Please let us know any restrictions regarding the timing when they can withdraw their money from the Fund.

AUD 16,000,000

There are no additional restrictions applied to staff investments in the Digital Asset Fund.

7.3. What is the percentage of fund assets broken down by investor type?

### Investor Breakdown



7.4. Will you consider SMA and what's the minimum amount required to set up a SMA?  
No