

Item 1 Cover Page



Eaglebrook Advisors, Inc. ("Eaglebrook")
1111 Brickell Avenue 10th FL,
Miami, FL 33131
786-807-7374
<https://eaglebrookadvisors.com>

December 2022

Part 2A of Form ADV: *Firm Brochure*

This Disclosure Brochure (the "Brochure") provides information about the qualifications and business practices of Eaglebrook Advisors, Inc. ("Eaglebrook"). Eaglebrook encourages you to consider this information, and ask questions about it, before becoming our client.

If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer, Tanya Kerrigan, Esq. at 786-807-7374 or via email at compliance@eaglebrookadvisors.com.

Additional information about Eaglebrook is also available on the Internet at www.adviserinfo.sec.gov. You can find information on this website by searching for "Eaglebrook Advisors, Inc.," or by searching our CRD number, 304438.

The information contained in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any State Securities Administrator. Furthermore, the term "registered investment advisor" is not intended to imply that Eaglebrook or our employees have attained a certain level of skill or training.

Item 2 Material Changes

Since we filed our most recent Brochure in March 2022, the following material changes have been made to this brochure:

- We have named a new Chief Compliance Officer. As of July 2022, Tanya Kerrigan, Esq. has replaced Mr. Christopher King as the Chief Compliance Officer.

Additionally, we have revised most of the Brochure to explain more clearly the nature of our business and to more clearly disclose risks associated with investing in digital assets generally; and risks and conflicts of interest particular to Eaglebrook, including:

- Item 4 – Description of Services Offered
- Item 5 – Description of Fees Charged
- Item 8 – Updates to the Investment Strategies offered by the Adviser and Risk Factors and Risk of Loss
- Item 10 – Other Financial Industry Activities and Affiliations
- Item 12 – Brokerage Practices
- Item 14 – Client Referrals and Other Compensation
- Item 15 – Custody
- Item 16 – Investment Discretion

Please note that the above summary addresses only the changes that Eaglebrook has determined to be material and does not reflect all of the changes that have been made to the Brochure since the previous filings.

Item 3 Table of Contents

Contents

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	8
Item 6	Performance-Based Fees and Side-By-Side Management	11
Item 7	Types of Clients	12
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	13
Item 9	Disciplinary Information	23
Item 10	Other Financial Industry Activities and Affiliations	24
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	28
Item 12	Brokerage Practices	29
Item 13	Review of Accounts	32
Item 14	Client Referrals and Other Compensation	33
Item 15	Custody	34
Item 16	Investment Discretion	36
Item 17	Voting Client Securities	37
Item 18	Financial Information	38

Item 4 Advisory Business

A. General Description of Advisory Firm

Eaglebrook was founded in April 2019, commenced operations in 2019 as a state registered investment adviser; and registered effective 2021 as an investment adviser with the United States Securities and Exchange Commissions (the “SEC”) under the Investment Advisers Act of 1940 (the “Advisers Act”). Eaglebrook is a Delaware corporation whose main office is in Miami, Florida. You can find details about Eaglebrook’s current registration status at the SEC’s website. The website address at which you can search for our SEC filing information is <https://adviserinfo.sec.gov/search/genericsearch/firmgrid>.

Christopher King is the founder and CEO of Eaglebrook, as well as the principal owner of Eaglebrook.

Throughout the Brochure, you will see the words “we,” “us,” “our,” “the Firm,” “our Firm” or “Eaglebrook.” Where you see these words, the Brochure is describing products and services provided by Eaglebrook Advisors, Inc., or by employees and supervised persons of Eaglebrook. Where you see the words “you” and “your,” the Brochure is describing our clients and prospective clients.

Eaglebrook is registered as an investment advisor with the United States Securities and Exchange Commission (“SEC”).

We publish additional information about our business on our website at <https://www.eaglebrookadvisors.com/>.

Eaglebrook’s office address is 1111 Brickell Avenue 10th FL, Miami, FL 33131. Our phone number is (786) 807-7374.

B. Description of Advisory Services

Eaglebrook provides Investment Advisors (“Advisors”) the ability to invest their clients’ directly into digital assets through the use of Eaglebrook’s proprietary separately managed account investment platform which allows for client onboarding via an advisor portal (the “Advisor Portal”), and the delivery of various digital asset investment models and allocation modules, execution of transactions in digital assets and the integration and reporting of holdings and trade information to Advisor’s portfolio management system. Our clients are Advisors and their respective clients (“Clients”) which include retail and high-net worth individuals. Eaglebrook also provides high net worth or sophisticated clients (collectively “Direct Clients”) the ability to invest directly into digital assets through the use of Eaglebrook’s proprietary separately managed account investment platform which allows for Direct Client onboarding via the Client Portal (“Client Portal”), and the delivery of various proprietary and third-party digital asset investment models (together and each a “Model”) and allocation modules, execution of transactions in digital assets and the integration and reporting of holdings and trade information to the Direct Client or to a third party representative identified to Eaglebrook by the Client (each, a “Representative”) via the Direct Client/Representative portal (the “Direct Client/Representative Portal”). Together, the Advisor Portal, the Client Portal and the Direct Client/Representative Portal are referred to as the “Investment Platform.” Direct Clients are included within the definition of Client for purposes of this ADV.

“Digital assets” includes cryptographically derived assets, referred to as cryptoassets, cryptocurrencies, and/or blockchain tokens, virtual currencies or digital currencies, such as bitcoin and ether, as well as other assets available on public, private or permissioned blockchains and/or ledger systems, including decentralized application tokens and protocol tokens, and other digital assets that are based on a cryptographic protocol of a computer network

that can be (i) centralized or decentralized, (ii) closed or open-source, and/or (iii) used as a medium of exchange, store of value, and/or represent ownership in some asset, interest or object, whether real or intangible.

Digital assets are a digital representation of value that function as a medium of exchange, a unit of account, or a store of value, but they do not have legal tender status in the United States. Digital assets are not backed nor supported by any government or central bank (except for Central Bank Digital Currencies ("CBDCs")). The prices of digital assets are derived by market forces of supply and demand, and digital assets are more volatile than traditional currencies and financial assets. Most of Eaglebrook's Clients' digital assets are currently invested in bitcoin and ether; however, other digital asset holdings in Client accounts are anticipated to grow. Bitcoin is a type of digital asset where balances are only kept on a distributed ledger designed for public transparency and bitcoin transactions are verified by computing power. Bitcoin is not issued or backed by any banks or governments, nor is an individual bitcoin valuable as a commodity. Despite it not being legal tender in most parts of the world, bitcoin is popular and has triggered the launch of thousands of other cryptocurrencies. Ethereum is a blockchain platform which hosts several digital assets, including ether. As a blockchain network, ethereum is a distributed ledger for verifying and recording transactions. The network's users can create, publish, monetize, and use applications on the platform, and they use its digital assets, including ether as payment for those network services.

The Investment Platform is a technology platform which operates like a traditional trade execution system and allows Advisors to open a Separately Managed Account ("SMA") on behalf of each of their Clients and to place digital asset trades for their Clients in their SMAs which are routed directly to a digital asset exchange for execution and processing, as well as for Direct Clients to open a SMA and to place trades for digital assets in their SMAs which are routed directly to one or more digital asset exchanges for execution and processing. The Investment Platform provides transactional reporting of the Client's digital assets in the SMA which can be integrated into the Advisor's or Representative's third-party performance reporting system and used by the Advisor or Representative for their Client communications and overall performance reporting to their Clients. Eaglebrook's Investment Platform eliminates the complexity of investing in bitcoin and other digital assets by managing account setup, trade execution, position reporting, rebalancing (in some instances), technology integration, and tax loss harvesting.

Because the Investment Platform integrates with various industry-standard portfolio management and reporting systems, Advisors and Representatives can see each of their Client's digital asset exposures directly in the portfolio management system alongside the client's other asset holdings. Advisors and Representatives can also view their Client's holdings, unofficial performance, Client documents, research, and educational materials directly by logging into the Investment Platform. The Investment Platform allows Advisors and Representatives, on behalf of their Clients, to open accounts directly with a digital asset custodian, which is currently Gemini Trust Company, LLC ("Gemini"), a custodian qualified under New York Banking Law and licensed by the New York State Department of Financial Services ("NYDFS"). In the future, other digital asset custodians may be available. The Investment Platform integrates with the digital asset custodian to allow Advisors and Representatives, on behalf of their Clients, and Direct Clients, to add funds or in-kind contributions, withdraw funds, enter orders to purchase and sell digital assets, build a custom allocation module and/or make investment selections of various third-party investment models, as more fully described below, directly in the Investment Platform. Details regarding the custody and exchange services provided by Gemini are discussed below in Item 8, Item 10, Item 12, and Item 15.

Eaglebrook also has legacy investment management agreements that were entered into directly with individual Clients and which do not specifically name any Advisor as an interested party. We no longer enter into such agreement types and instead enter into Tri-Party Agreements which are among the Investment Advisor, Client and Eaglebrook or Investment Platform Agreements that are directly between the Direct Client and Eaglebrook. All Investment Platform Agreements with Direct Clients are non-discretionary.

Our investment advice is limited to digital assets. We do not provide investment advice regarding any other type of assets (e.g., traditional stocks, bonds, registered investment companies, private funds).

Digital Asset Investment Module and Digital Asset Models

Custom Allocation Module

The Advisor, on behalf of the Client, may elect to construct a custom allocation of certain digital assets. Under these arrangements, the Advisor has full discretionary authority over the investments and transactions involving the assets allocated to that Custom Allocation Module without the prior consent of the Client. The Advisor is typically responsible for selection and maintenance of the custom allocation and Eaglebrook will execute all transactions for Client assets according to the Advisors direction. Digital assets available for purchase and sale using the Custom Allocation Module are limited only to those digital assets that the digital asset custodian, currently Gemini, offers on its exchange platform.

Third Party Models

Third-Party Models are developed by unaffiliated institutional firms, which currently include Franklin Templeton and ARK Invest (“Model Providers”). Eaglebrook has selected these Model Providers for the purpose of making the Third-Party Models available on the Investment Platform for distribution to Advisors and Clients. Advisors and their respective Clients will enter a Tri-Party Agreement directly with Eaglebrook which will allow Advisors access to the Investment Platform for purposes of investing Clients into digital assets using the Models provided.

The Model Provider is responsible for development and maintenance of the Third-Party Model through rebalancing of digital holdings and weights that the Model Provider believes is most appropriate for the model pursuant to the model’s stated investment strategy. It is the responsibility of Eaglebrook to maintain and rebalance the holdings and weights of the Third-Party Models when Eaglebrook receives rebalance instructions from the Model Provider.

While Models are provided by Eaglebrook, the Advisor decides the amount of their Clients’ assets to be invested and selects the Model or custom digital asset allocation that is most appropriate for their Client. Similarly, each Direct Client decides the amount of assets to invest and selects the Model or custom digital asset allocation that it believes is most appropriate for itself. See additional information regarding discretion and suitability in Item 16, Investment Discretion, below. Models may change from time to time and Models can be discontinued, changed, or replaced by Eaglebrook. Digital assets available for purchase and sale within the Models are limited to only those digital assets that the digital asset custodian, currently Gemini, offers on its exchange platform.

Proprietary Models

Eaglebrook may develop and provide proprietary digital asset allocation models, and such “Proprietary Models” are made available to Advisors and Clients on the Investment Platform. Such Proprietary Models are managed according to the stated investment objective of the Proprietary Models and are not developed or managed to any Client or Client type. Eaglebrook does not consider the investment objectives, needs or restrictions of any Client when developing Proprietary Models and as such the Advisor and the Client have the ultimate responsibility for suitability determinations on whether any Proprietary Model is appropriate for the Clients’ needs and risk tolerance.

Tax Loss Harvesting

Some digital assets such as bitcoin and ether are treated by the Internal Revenue Code as property and as such general tax principles applicable to property transactions apply to digital asset transactions. For more information on the tax treatment of digital assets, please consult your tax advisor. Eaglebrook is not permitted to offer tax advice. For more information on the tax treatment of property transactions, the Internal Revenue Service provides several publications which you can access at www.irs.gov, including Notice 2014-21 and Publication 544, Sales, and Other

Dispositions of Assets. Where some digital assets are treated for tax purposes as property, the wash-sale rule presently does not apply.

Eaglebrook offers tax-loss harvesting capabilities within the Investment Platform though tax-loss harvesting may not be available for certain Custom Allocations Modules or Third-Party Models. When tax-loss harvesting is selected by the Advisor for the Client, the Advisor is instructed to select tax-loss harvesting parameters, including allocation method (such as highest in, first out “HIFO” or lowest in, first out “LIFO”) and establishes a threshold loss for when the automated tax-loss harvesting will be triggered. The Investment Platform manages the tax-loss harvesting per the Advisor and Client instructions.

Education and Research

Eaglebrook provides research and education about the digital assets market which is primarily made available directly on the Advisor Portal. Certain education and research materials are publicly available on the Eaglebrook website. Eaglebrook will also provide research and market commentary to clients and the public generally.

We do not currently participate in any Wrap Fee Programs.

C. Our Clients

Our Clients are Advisors and their respective Clients which include retail and high-net worth individuals. As noted above, in some cases, we may allow individual high net worth or sophisticated investors who are not themselves clients of an Advisor to have direct access to the Investment Platform, i.e., Direct Clients. In such cases, the individual Direct Client will enter into a non-discretionary investment management agreement with Eaglebrook, and we will assist the individual Direct Client to open an account on the Investment Platform. In such cases, we may also advise the Direct Client on the digital asset allocation, but the individual high net worth investor ultimately determines the digital assets to purchase. The Direct Client may use the Custom Allocation Module to select a custom allocation the Direct Client desires or may invest in Models offered. In any case, we will enter the orders with an exchange platform or liquidity providers.

Assets under Management (“AUM”)

As of October 31, 2022, we managed approximately \$69,892,752 in non-discretionary assets under management and \$409,792 in discretionary assets under management.

Item 5 Fees and Compensation

Eaglebrook's fee for its provision of investment platform and investment advisory services (the "Fee") is specified in each Client's Investment Platform or Investment Management Agreement, as the case may be. If a Client entered into a legacy Investment Management Agreement, the Fee is referenced as an Investment Management Fee. If the Client entered into a Tri-Party Platform Agreement or an Investment Platform Agreement, the Fee is referred to as a Platform Fee, each of which shall be included in the definition of the Fee. The Fee varies depending on the Custom Allocation Module or Model selected. The Fee for any particular investment Custom Allocation Module or Model (and, therefore, for your account overall) will vary over time due to fluctuations in the market value and asset level being invested.

If the total Fee is a blended Fee, based on the account assets attributable to each Model or Custom Allocation Module, the specific Fee percentage applied to the account will vary over time. Eaglebrook may not increase the Fee rates without Client's prior consent. However, the Fee rates for each Model or Custom Allocation Module are calculated separately for each Advisor and could reflect the application of breakpoints based upon the total amount of Client assets attributable to each Advisor that are invested in the Model or Custom Allocation Module. Consequently, your Fee rate may rise if other clients of your Advisor withdraw Assets from a Model or Custom Allocation Module in which your assets are invested, even if you do not withdraw any of your assets. Please be advised that where you have given your Advisor discretion over your account, your Advisor may instruct Eaglebrook to make changes in your accounts without prior notice to you (i.e., account rebalancing, asset allocation, selection of Models and Model Providers (if applicable)). Changes could result in a higher or lower Fee being charged to your account(s).

Clients should be aware that the Fees charged by Eaglebrook are variable, and depend on the complexity of the Client, size of Client assets and modules or Models selected (more complex arrangements tend to have higher Fees), or the size or potential future size of the relationship (larger allocations tend to have lower Fees). Additionally, Eaglebrook may offer a tiered Fee structure based on Client AUM. In the sole discretion of Eaglebrook, such Fees may be waived, reduced, or calculated differently with respect to certain clients, including clients or investors that may be affiliated with Eaglebrook or may otherwise have an economic or ownership interests in Eaglebrook. Fees charged by Eaglebrook may be higher or lower than those charged by other registered investment advisors or platforms in the industry.

In-Kind Fee

Eaglebrook has taken, and currently takes, its Fee in-kind in the respective asset type held in your account. This practice differs from the standard practice in the industry whereby investment advisors typically take their fee in cash. Because Eaglebrook receives and may retain its Fee in-kind, to the extent that such assets increase in value in the future, Eaglebrook will be benefited by the increase in value of the Fee paid in in-kind assets, such as the benefit actually received by Eaglebrook could be more than the Fee paid had it been paid in cash. Conversely, to the extent such assets decrease in value, Eaglebrook will receive less than the value of the Fee had the Fee been paid in cash. In the event that future changes to process occur that allow Fees to be paid in cash or stablecoins in lieu of in-kind, Eaglebrook may have an incentive to cause Clients to pay in-kind, to the extent that Eaglebrook believed that such assets would increase in value in the future, and in cases where such increase occurs, Eaglebrook could favor those Clients that pay in-kind over those Clients who paid in cash or stablecoins.

How the In-Kind Fee is Calculated

The Eaglebrook Fee is calculated on a daily basis at 4pm ET and accrues each calendar day in the respective asset quantity. The Fee is calculated as the daily asset quantity multiplied by the applicable daily fee rate as noted above.

The daily Fee values are aggregated and calculated for each monthly period and following the end of each month, are submitted by Eaglebrook back to the custodian to debit Client's account in-kind denominated in the respective asset type from the assets held in the Client account. The Fee will typically be deducted by the custodian on a monthly basis on or around the 7th day of each calendar month. This means that the custodian transfers digital assets in the amount of the Fee owed in-kind from the Client account to Eaglebrook. Since the Fee accrues daily but is not paid until the end of each month, the market value of the digital assets owed to Eaglebrook is subject to market fluctuations so that the value of those digital assets may be more or less when debited by the Custodian and transferred to Eaglebrook.

Eaglebrook controls the timing of when to sell its retained in-kind Fee. Because our Fee is payable in-kind, in the relevant digital asset(s) attributable to the Model or Custom Allocation Module selected, conflicts of interest may exist. For example, we may cause the custodian to sell digital assets to pay our Fee at the same time we are entering orders to purchase the same digital assets on behalf of Clients. Our entry of orders to purchase those assets may coincide with the time that those assets are being sold to pay the Fee which may increase the demand for those assets at the time your assets are being sold to pay the Fee. Consequently, the value of the Fee may be higher than it would be if no such purchasing activity were taking place.

Please review Item 10 for additional disclosures regarding deduction of our Fee.

Practical Example – Calculation of Fee:

John Smith is an RIA Client of ABC Financial Advisors and is charged 1.00% per year on the digital assets on the Eaglebrook platform. Assuming John Smith held 1 bitcoin unit (BTC) and 10 ether units (ETH) in the account for all 31 days of March, the Fee rate would be calculated as follows:

- Computation of March Fee:
 - BTC: $(1 \text{ BTC} * (100 \text{ bps} / 365)) * 31 \text{ days} = 0.000849315 \text{ BTC}$
 - ETH: $(10 \text{ ETH} * (100 \text{ bps} / 365)) * 31 \text{ days} = 0.008493151 \text{ ETH}$

On or around the 7th day of the following month, the Custodian would debit 0.00849315 BTC and 0.008493151 ETH from John Smith's account and remit the Fee to Eaglebrook.

In addition, if at the end of the month a digital asset which had accrued a Fee during the month is no longer in the Account in sufficient amounts to enable the custodian to debit your account in-kind for that month's Platform Fee, Eaglebrook may calculate the amount of in-kind Fee owed, calculate the amount of the fee in U.S. dollars ("USD") utilizing the 4pm ET prevailing digital asset/USD conversion rates from your custodian (Eaglebrook reserves the right to change the relevant market and/or time upon notice to you) and will allocate the USD equivalent across the assets in the account at month-end and submit to the custodian to be debited from your account.

Capital Gain/Loss

Collecting our Fee in-kind means that Clients may incur a capital gain or capital loss (short term or long term) each time that Eaglebrook collects its Fee, which includes fees paid to Third-Party Model Providers. Clients should consult with a tax consultant or advisor regarding the federal, state, or local tax consequences of Eaglebrook's current practice of collecting its Fee in-kind.

Additional Fees and Expenses

The Fee does not include execution, administrative fees, transaction fees, custodial fees or referral fees that may be charged by third parties or paid by Eaglebrook to third parties for referral of Client accounts to Eaglebrook.

Custody fees vary among custodians, and while Eaglebrook typically negotiates the initial fee level that your custodian will charge you for custody and execution, these charges are subject to change by the custodian. Additionally, if your account assets are held in an individual retirement account ("IRA") and you use the custodial services of Alto Solutions, Inc. ("AltoIRA"), additional fees will apply. Please refer to documentation provided by your custodian for specific details of the terms and fees that they charge you.

Account Minimums

If the Custom Allocation Module or Model selected has a stated minimum investment amount that has not been waived by Eaglebrook, a Client must allocate at least enough cash (and/or in-kind assets) to meet the applicable Custom Allocation Module's or Model's minimum investment amount for management of the Client's account to commence. A Client may make cash additions to, or withdrawals from, Client's account at any time; provided, however, that Eaglebrook may, in its discretion, terminate its Agreement with the Client in the event Client's assets do not meet the applicable minimum investment amount of the selected Custom Allocation Module or Model. Account minimums may vary and may be changed or waived entirely at the discretion of Eaglebrook.

Item 6 Performance-Based Fees and Side-By-Side Management

Eaglebrook does not charge performance-based fees.

Item 7 Types of Clients

As discussed in Item 4, above, our Clients are typically Advisors and their respective Clients, which include retail and high net worth individuals, trusts, family offices, independent broker dealers, retirement accounts, limited partnerships, and limited liability companies. We also engage directly with individual qualified investors that are not associated with any Investment Advisor and may allow knowledgeable employees and/or family members of personnel access to the Investment Platform.

We also have direct Client relationships through legacy investment management agreements with Clients who are retail, high net worth individuals, retirement accounts, trusts, family offices, limited partnerships, and limited liability companies. We no longer enter into investment management agreements with non- Advisor affiliated retail clients, but we enter into Investment Platform Agreements with Direct Clients.

Eaglebrook can accommodate various types of Client legal structures including individual, joint, trust, limited liability companies, limited partnerships, non-profit and qualified accounts. Eaglebrook has partnered with AltoIRA to offer SMAs for Individual Retirement Accounts (“IRAs”).

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

A. Material and Significant Risk of Loss

Throughout this Brochure, we have attempted to identify risks that we believe to be material, significant or unique to digital asset investing generally and also those risks and conflicts of interest that are specific to Eaglebrook in terms of its business practices, systems and processes. Please read this Brochure carefully. Several federal agencies have also published advisory documents surrounding the risks of virtual currency. For more information see the Consumer Financial Protection Bureau's Consumer Advisory, the Commodity Future Trading Commission's ("CFTC") Customer Advisory, the SEC's Investor Alert, and the Financial Industry Regulatory Authority's ("FINRA") Investor Alert.

Risk of Total Loss of Capital

While all investments risk the loss of capital, investments in digital assets should be considered substantially more speculative and significantly more likely to result in a total loss of capital than other investments. There can be no assurance that an investment strategy will achieve its investment objective or that substantial losses will not be incurred. Clients should be prepared to bear a substantial loss of capital, including the risk that the entire amount invested may be lost.

No guarantee is made that a Client's investment program or overall portfolio, or various investment strategies used or investments made, will have low correlation with one another or that a Client's returns will exhibit low long-term correlation with an investor's traditional securities portfolio. The use of certain trading counterparties and exchanges, in the context of digital asset transactions, may substantially increase transactional risks and increase the adverse impact to which a Client may be subject. Depending upon the specific strategy, a Client generally will make direct investments in digital assets using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of digital assets, regulatory uncertainty, the potential illiquidity of derivative instruments, fraud, market manipulation, malicious attacks, and other portfolio investments and loss from counterparty defaults.

Digital assets may not be appropriate for retirement savings, or funds drawn from student loans, mortgages, emergency funds or funds set aside for specific family or personal obligations. Eaglebrook will not attempt to mitigate the potential of loss of capital attributable to digital asset investments through the use of risk management techniques. Rather, Eaglebrook generally intends only to sell digital assets when such sales are necessary in order to satisfy sale orders made by Advisors, Representatives or Direct Clients, to purchase other digital asset holdings, to withdrawal funds or as otherwise instructed by a Model Provider.

Cryptoasset Risk, Generally

Cryptoassets are digital / virtual in their nature, and do not possess physical characteristics (e.g., unlike banknotes or coins). As such, they are typically transferred, stored, and traded electronically. Cryptoassets are an emerging asset class given the lack of standardization and constant evolution. Certain cryptoassets have exhibited a high degree of volatility, and present risks, including liquidity risk; credit risk; market risk; operational risk (including fraud and cyber risks); money laundering and terrorist financing risk; and legal and reputation risks. Cryptoasset markets are fast evolving and direct connections between cryptoassets and systemically important financial institutions and core financial markets, while growing rapidly, are limited at the present time.

When investing with Eaglebrook, Clients will make direct investments in digital assets using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility, regulation,

system and circulatory factors, adoption, security, and underlying functional and or structural components of digital assets. As such, a Client will be directly and indirectly exposed to risks relating to the further development and acceptance of digital assets, which are part of a new and rapidly changing industry. Digital assets are subject to a variety of factors that are difficult to evaluate both in their day-to-day operations and services offered, but also in their relation to the digital asset landscape as a whole. The slowing or stopping of the development or acceptance of such currencies may adversely affect all or certain digital assets as well as the value of a Client's account.

The use of digital assets to, among other things, buy and sell goods and services, to transfer value, and to represent ownership and control is part of a new and rapidly evolving industry that employs digital assets based upon a computer-generated mathematical and/or cryptographic protocol. Bitcoin and ether, the most well-known digital assets in the current market are prominent, but not unique, parts of this industry. The growth of this industry is subject to a high degree of uncertainty. The factors affecting the further development of this industry, include, but are not limited to:

- continued worldwide growth in the adoption and use of digital assets
- government and quasi-government regulation of digital assets and their use, services relating thereto, or restrictions on or regulation of access to and operation of digital assets networks
- changes in consumer demographics and public tastes and preferences regarding digital assets
- the maintenance and development of the open-source software protocol of the digital asset's networks
- the use of the networks supporting digital assets for developing smart contracts and distributed application
- general economic conditions and the regulatory environment relating to digital assets
- improved anti-fraud, anti-money laundering, and suspicious activity controls, reporting and methodologies applicable to digital asset
- negative consumer or public perception of digital assets

Risks Relating to Custodial Processes for Safekeeping of Digital Assets

The risks relating to the custody of digital assets include appropriate custodial techniques, qualifications, and arrangements for which defined best practices and industry standards are not yet fully defined. Custody and security services for a Client's digital assets will be provided by one or more third-party custodians, currently Gemini. Digital assets represent a relatively new asset class which few state and federal legal frameworks directly address. As such, there is uncertainty as to how to attach and perfect a security interest over digital assets; if not properly perfected, a Client's claim over such assets could be unsecured, increasing a Client's risk of loss in the event of default. While Gemini is a custodian qualified under New York Banking laws and licensed by the New York State Division of Financial Services (NYDFS), Eaglebrook has limited knowledge of what capital requirements, reporting or system requirements that NYDFS has or imposes on Gemini and cannot independently verify Gemini's representations.

Further, wallets have been hacked and digital assets have been stolen. This is a significant risk for anyone investing in digital assets which cannot be completely protected against. There is heightened risk of unauthorized withdrawals or theft of digital assets than there is with traditional asset classes as once a digital asset is removed from an account, it is more difficult to get it back. Unlike unauthorized withdrawals of cash, which can be investigated and identified through wire transactions, withdrawals of digital currencies while typically identifiable are often irrevocable. As such, to the extent that we are unable to seek a corrective transaction with a third party or are incapable of identifying the third party that has received a digital asset through error or theft, we will be unable to revert or otherwise recover incorrectly transferred digital assets. We will also be unable to convert or recover digital assets transferred to uncontrolled accounts. As described more fully herein, the permanent nature of withdrawals coupled with cybersecurity, security concerns and/or internal bad actors significantly raise risks

associated with risk of loss that do not exist in traditional asset classes.

A Client of Eaglebrook will likely have a high concentration of its digital assets with one custodian, which may be prone to losses arising out of hacking, loss of passwords, compromised access credentials, malware, or cyberattacks as described herein.

Please also read Item 15, Custody, below for additional information related to custody.

Regulatory Change and Regulatory Body Oversight Risk

While regulation of digital assets is still nascent, as bitcoin and other digital assets have grown in both popularity and market size, the U.S. Congress and a number of U.S. federal and state agencies have been examining digital asset networks, digital asset companies and exchange markets. The current U.S. regulatory framework does not present a uniform or unifying set of legal theories or applicable legal regimes to which digital assets are regulated or for which digital assets can be defined, as a result and as new legislation and regulations are enacted, regulatory changes and unforeseen regulatory implications have the potential to negatively impact the value of a Client's digital assets and the use and interest in such digital assets. Ongoing and future legislative and regulatory actions may alter, perhaps to a material adverse extent, the nature of a Client's investment or the ability of the digital asset technology to continue to operate. Many state and federal agencies have issued consumer advisories regarding the risks posed by bitcoin and other digital assets to investors. In addition, U.S. federal and state agencies, and regulatory bodies in other countries have issued rules or guidance about the treatment of digital asset transactions or requirements for businesses engaged in digital asset activity.

Current and future legislation, CFTC and SEC rulemaking, U.S. federal and state regulatory enforcement actions, and other developments may impact the manner in which digital assets are treated for classification and clearing purposes. In particular, various digital assets may not be excluded from the definition of a commodity or "security" by such future CFTC and SEC rulemaking, respectively. Currently, Eaglebrook is not aware of any rules that have been proposed to further regulate digital assets as a commodity or security, but this is subject to change. Eaglebrook cannot be certain as to how future regulatory developments will impact the treatment of digital assets under the law. The CFTC has declared that some digital assets are commodities, and digital assets transactions that are entered into, or offered, to retail customers on a leverage or margined basis or financed by the offeror, may be subject to CFTC jurisdiction. However, the SEC has stated that certain transactions in digital assets may be securities transactions, depending on the specific facts and circumstances of the digital assets and transactions in question.

To the extent that digital assets or transactions are deemed to fall further within the definition of a "commodity interest" under the Commodity Exchange Act of 1936, as amended (the "CEA"), or further within the scope of CFTC jurisdiction pursuant to subsequent rulemaking by the CFTC, Eaglebrook may be required to register and comply with additional regulation under the CEA. In such an event, Eaglebrook could cause a Client not to hold any affected assets and cause the Client to incur losses and lost opportunities. Alternatively, Eaglebrook could seek to register or otherwise apply for and comply with an exemption with the CFTC.

Regulatory changes or interpretations relating to the custody of digital assets could require certain vendors to be required to apply for licenses that they do not already have and could subject these parties to investigations and penalties. Such additional registrations and compliance, or any enforcement action, may result in extraordinary, non-recurring expenses. If Eaglebrook determines not to comply with such additional regulatory and registration requirements, it will be required to terminate and liquidate a Client's investments at a time that may be disadvantageous to the Client.

A Client and Eaglebrook may also be subject to regulations in jurisdictions in which they engage in business and should understand that a Client's business is dynamic and is expected to change over time. Therefore, a Client may

be subject to new or additional regulatory constraints in the future. Agreements prepared in connection with the Client cannot address or anticipate every possible current or future regulation that may affect a Client, Eaglebrook, vendors or counterparties. Such regulations may have a significant impact to Clients, including, without limitation, by restricting the types of investments a Client may make. Changes or actions may alter the nature of a Client's investment or restrict the use of digital assets or the operation of digital asset networks in a manner that adversely affects a Client's investment.

Risks Associated with Digital Asset Exchanges and Trading Venues

The digital asset trading platforms and venues (also called "exchanges") on which digital assets trade are relatively new and, in many cases, are either lightly regulated or unregulated and therefore may be more exposed to fraud and failure than established, regulated exchanges for other assets. Any fraud, security failure or operational problems experienced by the digital asset exchanges could result in a reduction in the value of the digital assets and adversely affect an investment in the interests of the Clients. Furthermore, many such exchanges do not provide the public with significant information regarding their ownership structure, management teams, corporate practices, or regulatory compliance. As a result, the marketplace may lose confidence in, or may experience problems relating to, digital asset exchanges, including prominent exchanges handling a significant portion of the volume of trading. Digital asset exchanges may impose daily, weekly, monthly, or customer-specific transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of digital assets for fiat currency difficult or impossible. To the extent that a digital asset is hosted or traded on a limited number of exchanges, these risks are amplified and may cause a significant diminution in value of such digital asset. Digital assets traded on a blockchain may not rely on a trusted intermediary or depository institution. Participation in exchanges often requires a user to take on credit risk by transferring digital assets from such user's account to a third party's account which may or may not be hosted directly at or by the exchange. Accordingly, a Client and/or a portfolio company is exposed to credit risk with respect to its counterparties in each transaction, including transactions directly with a counterparty sourced through an exchange as well as transactions directly with such an exchange. Certain digital asset exchanges may also require a Client to pre-fund its trading accounts in fiat or in stablecoins or other digital assets, exposing such Client or portfolio company to additional credit risk associated with the party to whom the assets are transferred. To the extent a Client uses margin for trading, such risks will be magnified. It may be difficult or impossible for the Client and/or the portfolio companies to monitor or control this credit risk, which could have an adverse impact on the Client and/or the portfolio companies and, to the extent the client and/or the portfolio companies suffer losses as a result, on the value of a Client's investment. There can be no assurance that deposited funds can be recovered.

Over the past several years, several digital asset exchanges have been closed due to fraud, failure, or security breaches. In many of these instances, the customers of such digital asset exchanges were not fully compensated or made whole for the partial or complete losses of their account balances in such digital asset exchanges. While smaller digital asset exchanges are less likely to have the infrastructure and capitalization that make larger digital asset exchanges more stable, larger digital asset exchanges are more likely to be appealing targets for hackers and "malware" (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information, or gain access to private computer systems).

Digital asset exchanges that are regulated typically must comply with minimum net worth, cybersecurity, insurance, audit, and anti-money laundering requirements, but are not typically required to protect customers or their markets to the same extent that regulated securities exchanges or futures exchanges are required to do so. For example, U.S. state and federal regulatory regimes for digital asset exchanges have different requirements than traditional equity exchanges and their reporting requirements are less known and available than traditional exchanges. For example, reporting of net capital computations or reserves. We have limited insight as to the processes used by digital asset exchanges to detect, report, or prevent manipulative trading activity, such as spoofing (placing multiple orders to buy or sell an asset that the individual placing the orders does not intend to

execute). In addition, many digital asset exchanges lack certain safeguards put in place by more traditional exchanges to enhance the stability of trading on the exchange and prevent flash crashes, such as limit-down circuit breakers. As a result, the prices of digital assets on digital asset exchanges may be subject to larger and/or more frequent sudden declines than assets traded on more traditional exchanges. A lack of stability in digital asset exchanges, manipulation of digital asset markets by digital asset exchange customers and the closure or temporary shutdown of such exchanges due to fraud, business failure, hackers or malware, or government-mandated regulation may reduce confidence in the digital assets generally and result in greater volatility in the market price of digital assets. These potential consequences of an exchange's failure or failure to prevent market manipulation could adversely affect a Client's investment. When digital assets are transferred from cold storage to exchange hot wallets in order to trade it will increase operational and security risk and risk of loss.

Similarly, a Client may use certain digital assets to purchase other digital assets. Such transactions generally involve specific digital asset networks, or online end-user-to-end-user networks that host a public transaction ledger, known as a blockchain, and the source code that comprises the basis for the cryptographic and algorithmic protocols governing such networks. In many such transactions, the recipient of the digital assets must provide its public key, which serves as a public facing address for a digital wallet, into which assets will be transferred, to the party initiating the transfer. In the data packets distributed from digital asset software programs to confirm transaction activity, the transferring user, the sender of the digital asset, must "sign" the transaction with an output derived from entering the sender's private key, a unique code private to the sender, into a "hashing algorithm," and this signature serves as validation that the transaction has been authorized by the owner of such digital asset.

Pricing and Volatility of Digital Asset Values

Values of digital assets have historically been highly volatile, experiencing periods of rapid price increase as well as decline. Extreme volatility in the future, including further declines in the trading prices of digital assets, could have a material adverse effect on the value of a Client's investment, including a loss of all or substantially all of a Client's investment. Digital assets are currently lightly regulated and there is no central marketplace for currency exchange, pricing, or validation. Supply of any digital asset is generally determined by a computer code or network administration, not by a central bank, and prices can be extremely volatile relative to more traditional markets. Several factors may affect the price of digital assets or the value of digital assets, including, but not limited to: supply and demand, public and non-public information, investors' expectations with respect to use cases, the rate of inflation, interest rates, currency exchange rates or future legislative or regulatory measures (if any) that restrict the trading of digital assets, the use of digital assets as a form of payment, the use of digital assets as collateral to secure debt obligations and the process of perfecting and/or enforcing a security interest in digital assets. The value of digital assets may be driven more by sentiment and speculation rather than reliance on fundamentals, as is more typical for traditional equity markets, as a result, digital assets may be more likely to fluctuate in value due to changing investor confidence in future appreciation or depreciation in prices, which could adversely affect the value of the digital asset held.

Eaglebrook currently relies on pricing of digital assets as provided by Gemini, using the 4pm ET pricing on the Gemini exchange. The Gemini exchange would typically have a quoted 4pm ET price. To the extent that Eaglebrook engages liquidity providers or other custodians, pricing policies will change, and we will likely use pricing as provided by those providers. As a result, we may receive different pricing for the same digital asset, depending on the exchange or source quote provided. This pricing variation could cause dispersion in performance among similarly situated accounts held across more than one custodian.

Prices for digital assets may be affected, significantly at times, by the purchase or sale of digital assets in other Client accounts or for Eaglebrook itself for its own account or for the accounts of employees and supervised persons in the course of their personal trading.

See Item 10 for additional information and risk disclosure regarding Eaglebrook's conflicts of interest and risk associated with Eaglebrook's trading of digital assets among itself, multiple Clients, and product types. See also Item 11, Code of Ethics, for additional information regarding Eaglebrook's Code of Ethics which governs personal trading by employees and other supervised persons.

Counterparty Risk

Because Gemini is currently Eaglebrook's only custodian and exchange venue, there is significant counterparty risk. To the extent that Gemini's day to day functions is affected, from a technology or regulatory perspective, such issues would have a direct effect on Eaglebrook's day-to-day trading and systems operations and would impact Client accounts directly. Examples of issues at Gemini that would have a direct effect on Eaglebrook include, but are not limited to: Gemini systems failures, trading halts, cybersecurity breaches, loss of personnel, theft of client assets, rogue employees, liquidity issues, bankruptcy status as a qualified custodian and lawsuits. Additionally, Eaglebrook is limited to the types of digital holdings that Gemini is legally permitted to custody (note this would be the case with any custodian and is not unique to Gemini). Such limitations have a direct effect on the breadth of advisory services Eaglebrook can offer in providing access to digital assets.

Risks of Internet Disruptions

Many exchanges, both for traditional equity investing and for digital asset investing are dependent upon the internet. A significant disruption in internet connectivity could disrupt network operations until the disruption is resolved and have an adverse effect on the price of digital assets.

No Federal Insurance Protections – FDIC and SIPC

Federal law provides investors with significant protections when they invest in securities. Many of these protections are not available to Clients who purchase digital assets.

Unlike bank deposits or securities accounts respectively, digital assets are not subject to U.S. Federal Deposit Insurance Corporation ("FDIC") or U.S. Securities Investor Protection Corporation ("SIPC") protections. In the event of the permanent loss or theft of any digital assets, the insolvency of any of the digital asset exchanges where a Client's digital assets are held or the insolvency of any depository or custodian for such digital assets, a Client may be unable to recover all of its funds or the value of its assets so deposited.

Cybersecurity

Cyber security incidents and cyberattacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Eaglebrook's and its service providers' information and technology systems may be vulnerable to damage or interruption from computer viruses and other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches (by physical or electronic means), usage errors by their respective users or service providers, power, communications or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If unauthorized parties gain access to such information and technology systems, they may be able to steal, publish, delete, or modify private and sensitive information. Although Eaglebrook has implemented, and service providers may implement, various measures to manage risks relating to these types of events, such systems could be inadequate and, if compromised, could become inoperable for extended periods of time, or cease to function properly or fail to adequately secure private information. Breaches such as those involving covertly introduced malware, impersonation of authorized users and industrial or other espionage may not be identified even with sophisticated prevention and detection systems, potentially resulting in further harm, and preventing it from being addressed appropriately. Eaglebrook may have to make a significant investment to fix or replace any

inoperable or compromised systems. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions to Eaglebrook's operations and result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information relating to Clients. Moreover, it is possible that as digital assets increase in value, they may become more attractive targets for hackers and subject to more frequent hacking and denial-of-service attacks. Any future attacks that affect the ability to transfer the digital asset could have a material adverse effect on the value of the digital asset held, whether as collateral or otherwise, certain digital assets and a Client's investment.

See also Item 15, Custody, for risk relating to custody of Client digital assets and fiat.

Limited Operating History of Eaglebrook and of Model's Historical Performance

Eaglebrook has a limited operating history upon which Clients and prospective Clients can evaluate performance and services of Eaglebrook. There is also a limited performance history for the third-party Models offered on Eaglebrook's Investment Platform and there can be no assurance that our assessment of the Model Providers and/or their Models will prove accurate or that a Model will achieve its stated investment objective.

Governance Risks

Lack of clarity in the governance of many digital asset systems may lead to ineffective decision-making that slows development or prevents a network from overcoming important obstacles. Governance of many digital asset systems is by voluntary consensus and open competition. Bitcoin, for example, has no central decision-making body or clear manner in which participants can come to an agreement other than through overwhelming consensus. The lack of clarity on governance may adversely affect bitcoin's utility and ability to grow and face challenges, both of which may require solutions and directed effort to overcome problems, especially long-term problems. Recently, a seemingly simple, technical issue has divided the bitcoin community: namely, whether to increase the block size of the blockchain or implement another change to increase the scalability of bitcoin, known as "segregated witness," and help it continue to grow. Because the resolution of the scaling issue has taken several years, some have referred to a "governance crisis" at decentralized currencies. To the extent lack of clarity in governance of digital asset systems leads to ineffective decision-making that slows development and growth, the value of the digital asset held, whether as collateral or otherwise, and certain digital assets, and in turn, the interests in a client, may be adversely affected.

Risks of Open-Source Structure

Many digital asset networks, including bitcoin and ethereum, operate on open-source protocols maintained by groups of core developers. A failure to properly monitor and upgrade network protocol could damage the digital asset networks. Certain digital asset networks operate based on open-source protocol maintained by the groups of core developers. To the extent that material issues arise with certain digital asset network protocols and the core developers and open-source contributors are unable or unwilling to address the issues adequately or in a timely manner, such digital asset networks, and any corresponding digital assets held by a Client, whether as collateral or otherwise, may be adversely affected.

Risks of Flawed or Ineffective Source Code

If the source code, protocol, or cryptography underlying a digital asset held by a Client proves to be flawed, fraudulent, or ineffective, malicious actors may be able to steal a client's digital asset collateral or assets. In the past, flaws in the source code for digital assets have been exposed and exploited, including those that exposed users' personal information and/or resulted in the theft of users' digital assets. Several errors and defects have been publicly found and corrected, including those that disabled some functionality for users and exposed users'

personal information. Discovery of flaws in, or exploitations of, the source code that allow malicious actors to take or create money in contravention of known network rules have occurred. In addition, the cryptography underlying a digital asset could prove to be flawed or ineffective, or developments in mathematics and/or technology, including advances in digital computing, algebraic geometry, and quantum computing, could result in such cryptography becoming ineffective. In any of these circumstances, if a Client holds the affected digital asset, as collateral or otherwise, a malicious actor may be able to steal a Client's digital asset collateral or assets, which could adversely affect a Client's investment. Even if a Client did not hold the affected digital asset, any reduction in confidence in the source code or cryptography underlying digital assets generally could negatively affect the demand, functionality, or validity for digital assets and therefore adversely affect the value of the digital assets.

Risks Related to Lending Transactions

Though not currently contemplated and not offered as a service by Eaglebrook, should a Client in the future engage in digital asset lending transactions, there are additional and different risks associated with lending transactions. In a digital asset lending transaction, a Client will lend certain of its digital assets to a borrower, and a Client may be compensated for such loan. Upon termination of a digital asset lending transaction, the borrower is obligated to return the borrowed digital assets to a Client. This obligation of the borrower to return the loaned digital assets gives a Client credit exposure to the borrower, and there is no limit on the amount of a Client's digital assets that may be lent at any one time. To the extent a Client loans a portion of its digital assets, a Client will generally receive collateral from the borrower of the digital assets. As with other extensions of credit, there are risks of delay and costs involved in recovery of loaned digital assets or even loss of rights in the digital assets loaned or sold or in the collateral if the borrower fails to perform under the terms of the digital asset lending transaction or fails financially. If the borrower fails to perform under the terms of the digital asset lending transaction or fails financially, the collateral held by a Client may not be sufficient to cover any losses suffered by a Client. The market for digital asset lending transactions is new and evolving and may be riskier than the more traditional securities lending market and may expose a client to unforeseen risks.

Decentralized Finance ("DeFi") Risks

DeFi refers to a variety of blockchain-based applications or protocols that provide for peer-to-peer financial services using smart contracts and other technology rather than such services being offered by central intermediaries. Because DeFi applications rely on smart contracts, any errors, bugs, or vulnerabilities in smart contracts used in connection with DeFi activities may adversely affect such activities. DeFi applications may involve regulated financial products or regulated activities, however because of their decentralized nature, there is generally no entity subject to regulatory supervision.

Changes in AML Regulation

U.S. Treasury Department's Financial Crime Enforcement Network ("FinCEN") has taken the position that any administrator or exchanger of convertible digital assets must register with FinCEN as a money transmitter and must comply with the anti-money laundering regulations applicable to money transmitters. It is difficult to predict how FinCEN, SEC and other regulators, may respond with respect to future digital asset investments and related services and products. The requirement that digital asset companies that do business in the United States register with FinCEN and comply with anti-money laundering regulations could also increase the cost of compliance for such company and therefore may adversely affect their profitability, and accordingly, the value of a client's investment. In addition to applicable FinCEN regulations targeting digital asset activity in the context of money transmitters, certain state laws applicable to money transmission may require certain digital asset related businesses to register themselves, maintain licenses, and to adhere to certain applicable federal AML/CFT regimes.

Digital Asset Tax Risk

Many significant aspects of the U.S. federal income tax treatment of investments in digital assets are uncertain and still evolving. Digital asset transactions could result in capital gains and losses which need to be discussed with your tax advisor. Eaglebrook does not have the expertise with regard to the tax consequences of any Client's activities.

Personnel and Non-Personnel Providers of Operations

Eaglebrook will from time to time retain individuals and companies for support in addition to and similar to support offered by traditional employees ("1099 Associates"). For purposes of the Eaglebrook Code of Ethics, 1099 Associates are considered "Supervised Persons" of Eaglebrook and are required to comply with the Code of Ethics, including the reporting of personal securities holdings. As with Eaglebrook employees, 1099 Associates are permitted to buy and sell digital assets, including those digital assets that Eaglebrook buys and sells on behalf of Clients.

See also disclosure in Item 11, Code of Ethics for additional information.

Dependence on Service Providers

Eaglebrook relies on service providers for many aspects of our business, including certain financial operations, trade related activity, IT infrastructure, systems, custody, legal and compliance. Eaglebrook does not control these service providers and at times may have limited transparency into such businesses' day-to-day operations. While Eaglebrook takes steps to supervise day-to-day operations of service providers, we cannot ensure that the day-to-day operations will always be working as intended. Any interruption or deterioration in the performance of those service providers could impair the quality of Eaglebrook's operations, negatively affect our reputation and the investment strategies of Eaglebrook, cause financial losses to Clients and otherwise harm our Clients.

As more fully described below in Item 8, Item 10 and Item 12, some service providers may be directors, investors, or affiliates of Eaglebrook and therefore additional conflicts of interest may exist.

It is likely that there are risks, potentially significant, that Eaglebrook is unable to anticipate or are not otherwise disclosed.

Methods of Analysis and Investment Strategies

Generally speaking, Eaglebrook does not provide direct investment advice to Clients. Eaglebrook relies on models provided by third party model providers that it selects. In limited circumstances where Eaglebrook does provide direct investment advice to clients, investment ideas are usually generated internally, through research and analysis,

Eaglebrook investment analysis methods may include, depending upon the investment strategy and circumstances, charting, fundamental, technical and cyclical methods, assessments of the macro and economic environment, analysis of domestic and global adoption, assessment of financial advisor and wealth management interest, analysis of on-chain metrics, crypto fundamentals and investor sentiment, regulatory patterns, monitoring of developments across digital asset sectors and industries, measurement of the impact of digital assets on traditional portfolios, review of third party manager due-diligence and research processes for third party strategy offerings.

Item 9 Disciplinary Information

Neither Eaglebrook, nor any of our managers or employees, has been the subject of any criminal or civil litigation, or any administrative proceeding by a self-regulatory organization.

Item 10 Other Financial Industry Activities and Affiliations

A. Other Financial Industry Activities

Management of Similar Client Accounts and Similar Investment Models

Eaglebrook has many Clients who likely have investment objectives that are similar to one another. Moreover, Clients who are invested in Third-Party Models, which could include a variety of Model Providers, will likely have similar investment objectives as among Clients invested in the same Model and will have the same holdings of other accounts managed according to that Model. As a result, conflicts of interest could arise regarding the timing of trading and allocations of investment opportunities. Eaglebrook anticipates that it will be trading the accounts of many Clients at the same time or at different times. Conflicts can arise in connection with such investments. Decisions about what action should be taken, particularly in a troubled situation, including trading halts, low liquidity, corporate actions (if applicable) and exchange issues, among many others, may cause Eaglebrook to be incentivized to choose a course of action that benefits one Client to the detriment of another Client, though trading procedures are designed to mitigate any such incentive.

Eaglebrook may take actions with respect to the investments of one or more Client accounts that may not be taken with respect to other Clients with similar investment programs, objectives, or strategies. As a result, Clients may not achieve the same performance or price. These differences typically will result in variations with respect to price and timing of a particular investment opportunity across Client accounts. In addition, Eaglebrook may, at any time, execute trades of digital assets of the same kind in one direction for itself or for any Client and trade in the opposite direction or not trade for any other account, including itself or the Client's Account.

Conflicts of interest arise in allocating time, services, or functions by Eaglebrook and/or its personnel. Eaglebrook and/or its personnel may have an incentive to allocate more time, services or functions to certain Advisors, Clients, or Model Providers from which such personnel derive a higher economic benefit. Eaglebrook may be incentivized to allocate better services and resources to Clients who invest in Third-Party Models because of the potential growth in AUM and numbers of Clients that Eaglebrook may gain from Model Providers due to the size, notoriety, and product distribution potential of these Model Providers.

Further, as discussed more fully in Item 12, Trading Processes, the manner in which liquidity providers trade Model rebalances differs from other trading processes used by Eaglebrook for non-Model trades.

Allocation of Investment Opportunities

Generally, Eaglebrook does not allocate investment opportunities but instead generally enters orders as and when received through the Investment Platform. Where there are multiple Clients purchasing digital assets and particularly where there is limited supply or liquidity is insufficient to complete all Client trades, Eaglebrook must determine whether and to what extent investment opportunities should be allocated among Clients on a basis it believes to be fair and equitable over time and taking into consideration the immediacy by which orders for digital assets are traded. Typically, trading and allocation of investment opportunities is done on a first come first served basis as orders are entered into the Investment Platform. See Item 12 for a discussion of Trade Rotation.

Eaglebrook may offer a "most favored nation" or "MFN" clause to certain Model Providers which may create a conflict of interest. MFNs provide that Eaglebrook will offer terms, including pricing, to a particular Model Provider that is no less favorable than that offered to any other Model Provider. The same holds true for Clients. Some Clients may have an MFN that has been agreed to by Eaglebrook. Not all Clients benefit from an MFN and therefore a conflict of interest exists.

B. Affiliations

Conflicts Related to Other Business Activities of Board Members

Eaglebrook's members of the Board of Directors are actively involved in the digital asset eco-system and may have business, personal, financial, or other relationships with companies, including service providers, that Eaglebrook may seek Clients from or seek to do business with, which gives rise to conflicts of interest as more fully described below.

Affiliated Service Providers

Certain Clients, services providers or individuals associated with the service providers are also investors in Eaglebrook. The following have an equity investment in Eaglebrook:

- Gemini Frontier Fund, an affiliate of Gemini Trust Company
- Hudson River Trading, anticipated liquidity provider for trading of Client assets
- An affiliate of Franklin Templeton, Model Provider
- Dynasty Partners, RIA to Clients and solicitor
- Mariner Advisors, RIA to Clients. The CEO of Mariner Advisors is on the Eaglebrook Board and, the CEO in a personal capacity, has an investment in Eaglebrook.
- Digital Assets Council of Financial Professionals ("DACFP"), education partner. A member of DACFP is an investor in Eaglebrook. Eaglebrook makes available educational information of DACFP to its Clients

When dealing with affiliated parties, there is the risk that Eaglebrook may be more willing to engage in business transactions with related service providers that are beneficial to Eaglebrook, but not necessarily beneficial to Eaglebrook's Clients. Generally, compensation paid to a related service provider will be on commercially reasonable and not materially less favorable than the terms that would be obtained on an arm's-length basis from a third party with commensurate skill, expertise or experience, as determined by Eaglebrook in its reasonable discretion; however, there can be no assurance that such fees will be less than or equal to the fees charged by all third-party providers of such services.

Gemini is an affiliate of the Gemini Frontier Fund, a minority investor in Eaglebrook. The custody and exchange fee rates charged by Gemini to Clients have been negotiated in good faith with due consideration given to the custody and exchange fees that Eaglebrook could have reasonably obtained by another custodian and exchange venue who was not an investor in Eaglebrook with the commensurate, expertise, offerings, and experience necessary to custody and trade digital assets.

Eaglebrook's service providers, trading partners, custodians, technology, counterparties, investors, Model Providers and Clients develop and change over time, as such new affiliations and conflicts of interest may arise. Eaglebrook seeks to address such conflicts through elimination of the conflict, disclosure of the conflict, or management of the conflict through the adoption of appropriate policies and procedures.

Receipt of Non-Public Information through Affiliations

To the extent that Eaglebrook receives any information about digital assets that are about to be listed on an exchange or any other type of non-public information, Eaglebrook is prohibited from trading for Clients or itself and may not recommend trading in such digital assets, securities or other asset types of an issuer, while aware of material non-public information about any digital asset or the issuer of such digital asset or security and from

disclosing such information to any person not entitled to receive it.

Members of the executive team of Eaglebrook may also serve on boards of other entities. CEO Christopher King serves on the Board of Europa Labs, Inc.

Eaglebrook has adopted a Code of Ethics (the “Code”) designed to comply with Section 204A of the Advisers Act, which requires investment advisors to establish, maintain and enforce written policies and procedures reasonably designed, taking into consideration the nature of such investment advisor’s business, to prevent the misuse of material, non-public information by any associated person of such investment advisor.

Investments in Digital Assets / Cryptocurrency by Adviser Personnel

Eaglebrook’s Code requires that all “Supervised Persons” (including employees, 1099 Associates, officers, and certain affiliated persons of Eaglebrook) in carrying out the operations of Eaglebrook, adhere to certain standards of business conduct. Members of the Board of Directors are not subject to the Code. Specifically, the Code requires that Supervised Persons: (i) comply with all applicable laws, rules and regulations; (ii) avoid any conflict of interest with regard to Eaglebrook and its Clients; (iii) avoid serving their personal interests ahead of the interests of Eaglebrook and its Clients; (iv) avoid taking inappropriate advantage of their position with Eaglebrook or benefiting personally from any investment decision made; (v) avoid misusing corporate assets; (vi) conduct all of their personal securities transactions in compliance with the Code; and (vii) maintain, as appropriate, the confidentiality of information regarding Eaglebrook’s operations.

Subject to the terms of the Code and any restrictions it may require, Eaglebrook’s Supervised Persons generally are not prohibited from personally making investments in digital assets and cryptocurrency and therefore may invest in the same digital assets that we recommend to our Clients. This practice constitutes a conflict of interest.

The Code of Ethics establishes, among other things, personal investment, and trading policies for Supervised Persons, including the following provisions:

1. Supervised persons cannot put their own interests ahead of that of our Clients.
2. Supervised persons cannot buy or sell securities or digital assets for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry;
3. Supervised persons are prohibited from purchasing or selling securities of companies in which any Client is deemed an “insider;”
4. Supervised persons are discouraged from conducting frequent personal trading; and
5. Supervised persons must not serve as board members of publicly traded companies.

Eaglebrook Supervised Persons may have purchased digital assets which are also positions held by Clients and/or in the Models prior to becoming associated or employed with Eaglebrook. Investors in and employees of Eaglebrook may buy and sell digital assets inconsistent with how Eaglebrook buys and sells digital assets for Clients. It is possible that the trading patterns made by directors and employees of Eaglebrook could negatively impact prices for digital assets for Clients. Eaglebrook, its investors, directors and employees may give advice or take action for their own accounts that may differ from, conflict with or be adverse to advice given or action taken for Clients. These activities may adversely affect the prices and availability of digital assets held by or potentially considered for purchase for Clients.

Item 12 Brokerage Practices

Eaglebrook currently uses Gemini for trading. Additional trading venues and liquidity providers are anticipated. As discussed above, Gemini is a New York trust company regulated by the New York State Department of Financial Services (NYDFS). As discussed in detail above, Eaglebrook may also engage third-party liquidity providers. As disclosed in Items 8 and 10, Gemini Frontier Fund, an affiliate of Gemini, is a minority investor of Eaglebrook.

Timing of Entry of Orders and Random Rotation

Generally speaking, entry of orders by Eaglebrook to the trading venue is done on a first come, first served basis. That is, orders entered into the Investment Platform by Advisors for Clients or Direct Clients are routed for execution automatically.

Eaglebrook's trading for a rebalance of Models differs from trading processes used to trade daily orders for accounts not invested in a Model. Clients who do not invest in Model (such as a Client who creates its own custom allocation using the Custom Allocation Module) trade their accounts when and as they or their Advisor desire. Models, on the other hand, are "rebalanced" on schedule as determined by the Model Provider. Rebalancing means that the Model Provider changes the holdings and weights of holdings across the Model, in whole or part, which results in what is potentially a large number of orders for trading. Orders for rebalancing of third-party Models are entered when orders are received by Eaglebrook from the Model Provider. Where multiple Models are rebalanced and require trading of the same digital asset positions at around the same time or where a Model is rebalanced and Clients that are not invested in the Model but are also trading some of the same digital asset positions being rebalanced for the Model, Eaglebrook will be required to determine which trades go first. To the extent that there is limited supply, Eaglebrook will need to determine which accounts get to purchase or sell the digital asset. Unlike typical equity firms, where partial allocations of investment opportunities are generally done pro-rata based on the size of the desired trade or the size of the account, Eaglebrook will not do partial fills of desired trades. Instead, Eaglebrook will begin trading each Advisor firm's accounts before moving to the next Advisor firm and if liquidity is challenged, tranche later Advisor firms in the rotation for another trading period pursuant to its Trade Rotation Process. Eaglebrook anticipates that it will contract directly with additional liquidity providers and enter into terms for the execution of the rebalance trades that could differ significantly from the trading processes used for other accounts. Such service providers may be market makers that are not licensed as broker-dealers but who act as a counterparty who provide liquidity and execute trades on a principal basis. This may result in better pricing and/or better timing of trades for Clients invested in Models than experienced by other Clients. Moreover, depending on how and when trades are placed for rebalances to Models, those trades may move the market and result in higher or lower prices for accounts that were not part of the particular Model rebalance trade.

Order Aggregation

Currently, Eaglebrook generally does not aggregate orders on behalf of advisory Clients. However, if Eaglebrook determines that the purchase or sale of digital assets is possible and appropriate with regard to multiple Clients, it may, but is not obligated to, purchase or sell digital assets on behalf of such Clients with an aggregated order, for the purpose of reducing transaction costs, and/or improving execution timing and certainty, and/or accessing improved liquidity to the extent permitted by applicable law and as possible with regard to Eaglebrooks' and the exchange venue execution systems and processes.

When orders are not aggregated, trades generally will be processed in the order that such orders are received by Eaglebrook from Clients. As a result, digital asset trades for one Client (including a client in which Eaglebrook and its personnel may have a direct or indirect interest) may receive more or less favorable prices or terms than another Client, and orders placed later may not be filled entirely or at all, based upon the prevailing market prices and

liquidity at the time of the order or trade. When orders are placed individually and not aggregated some opportunities for reduced transaction costs and economies of scale may not be achieved.

Cross-Transactions

While unlikely, there is the potential that Eaglebrook may cause a Client to purchase investments from another Client, or it may cause a Client to sell investments to another Client. Such a practice is called a cross-transaction. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Client may not receive the best price otherwise possible, or Eaglebrook might have an incentive to improve the performance of one Client by selling underperforming assets to another Client in order, for example, to earn fees. Additionally, in connection with such transactions, Eaglebrook, its affiliates and/or personnel: (i) may have investments, or intentions to invest, in the digital asset that is selling and/or purchasing; or (ii) otherwise have a direct or indirect interest in the digital asset (such as digital asset holdings of the Models or certain other participations in the digital asset). To the extent that any cross transactions occur, Eaglebrook will endeavor to ensure that the purchase or sale and price or other terms are comparable to what could be obtained through an arm's-length transaction with a third party on commercially reasonable terms and shall obtain any required approvals of the transaction's terms and conditions.

Dust

"Dust" refers to fractional amounts of digital assets leftover in a transaction that is lower in value than the minimum limit of a valid transaction. Dust is a byproduct of numerous trades and transactions and is found on most blockchains. Thus, processing the "Dust" transaction is impossible, leaving a small amount of digital assets in clients' wallet or address. Eaglebrook may use the remaining Dust toward payment of our advisory fee, if possible, but likely, Dust will be forfeited when the account is closed.

Best Execution

When we consider the concept of best execution the determinative factor is not the lowest possible cost, but rather whether the transaction represents the best qualitative execution. In the context of digital assets, we believe that the reputation of the firm, its licenses, registration and the full range of a firm's services, including the number and type of various digital assets it can trade, whether it can act as market maker, how quickly it can effect trades, trading costs, its execution capability, and responsiveness are factors that are germane to the best execution assessment. Unlike traditional equity markets, each digital asset exchange has its own price for a digital asset, which is why, while we will seek competitive trading fees or bid/offer spread rates that benefit our Clients we may not necessarily obtain the lowest possible trading fees or the best possible executed price, for any specific digital asset transactions.

Eaglebrook does not have any soft-dollar arrangements, and Eaglebrook does not receive research from broker-dealers or custodians for directing brokerage or client transactions.

Item 13 Review of Accounts

Typically, account review is performed by the Advisor to the Client and not by Eaglebrook. Eaglebrook typically does not meet with Clients directly to discuss investment performance or attributes of individual Client accounts. Eaglebrook will make itself available as requested by Advisors and will provide the Advisor with information that the Advisor may use for reporting of performance to the Client. Such information includes transactions, beginning market value and ending market value. Clients also have access to the Investment Platform for real-time review of their Account.

Eaglebrook reviews accounts managed to the same strategy to detect dispersion in performance, holdings, and weights among similarly managed accounts. While we do not expect performance to be identical across all accounts in a similar strategy, we review accounts for anomalies.

Item 14 Client Referrals and Other Compensation

Eaglebrook compensates third parties, including brokers, dealers, placement agents, software providers and others, in connection with the solicitation of prospective clients and investors. Such compensation may be in the form of fees that are a percentage of such Client's assets under management, percentage of assets referred, or a portion of the platform fees earned by Eaglebrook, or any other fee arrangement agreed to by Eaglebrook and such third party. To the extent applicable, such solicitation arrangements will seek to conform to Rule 206(4)-1 under the Advisers Act.

Specifically, Eaglebrook has an agreement in place with AE Wealth Management where Eaglebrook pays AE Wealth Management a portion of the monthly fee received from clients referred by AE Wealth and affiliated Advisors. Eaglebrook also has an agreement in place with Dynasty Financial Partners where Eaglebrook pays Dynasty a portion of the monthly fee for Clients that are sourced through the Dynasty Network that open relationships with Eaglebrook. Eaglebrook also has an agreement in place with Acervus Securities, an Addepar Company ("Acervus") where Eaglebrook pays Acervus on an ongoing basis a portion of the platform fees it receives for Clients referred by Acervus directly or indirectly through use of the Acervus investment platform.

Eaglebrook does not receive compensation or known economic benefits from persons or entities other than Clients of Eaglebrook.

Custody and security services are generally provided by third-party service providers such as custodians, exchanges, trust companies and other custodial or security service providers. Currently, all of Eaglebrook's Clients' assets are custodied with Gemini Trust, a custodian qualified as a New York trust company and regulated by the NYDFS. Eaglebrook also custodies its own digital assets with Gemini.

The Advisers Act Custody Rule (the "Custody Rule") mandates that if a registered adviser has custody of client funds and securities, it must maintain them with a "qualified custodian." It is unclear whether the Custody Rule applies to particular digital assets and whether digital asset advisors, such as Eaglebrook, are within the scope of the Custody Rule. Eaglebrook has sought counsel as to whether and to what extent the Custody Rule does apply to any of the digital assets for which we provide advice, however, as of the date of the writing of this ADV, it has not been determined. If it is determined that the Custody Rule applies to digital assets, it is likely that Eaglebrook will be considered to have custody of Client assets. Although it is uncertain, Eaglebrook makes all reasonable attempts to comply with the Custody Rule, including, ensuring that the custodian remains a qualified custodian as defined under the Custody Rule and that the custodian sends custodial statements directly to Clients as required by the Custody Rule. To the extent that Eaglebrook is determined to be subject to an annual surprise custody audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board ("PCAOB"), it will seek to engage a PCAOB certified auditor to conduct a surprise audit. Eaglebrook endeavors to ensure that Clients receive account statements directly from their qualified custodians with respect to the Clients' assets held by such custodians. Clients should review such statements carefully.

There are limited numbers of "qualified custodians" available at this time to serve as a qualified custodian of digital assets that are covered by the Custody Rule. Difficulties and market limitations applicable in finding a "qualified custodian" could have a material adverse effect on a Client, including potentially causing a Client to move assets to a different custodian or liquidate all or a substantial portion of its portfolio or to be unable to make an investment into those digital assets. Digital asset advisors have limited operating experience in conducting due diligence of digital asset custodians. Eaglebrook has attempted to vet custodians and their appropriate security and custody arrangements based on, among other factors, the availability of licensed and experienced custodians and their ability to securely safeguard the assets. Eaglebrook is reliant on representations made by such custodians, particularly representations made about security arrangements put in place by such custodians and has limited ability to independently verify information received. Eaglebrook obtains and reviews Service Organization Control ("SOC") attestations, when available, that outline the security controls implemented by a custodian related to financial reporting (so-called "SOC 1 Reports") as well as SOC attestations that assess how a custodian's controls comply with certain criteria as identified by the custodian (which can include privacy, confidentiality, security, processing integrity or availability, but does not need include any one of these criteria) (so-called "SOC 2 Reports") but neither a SOC 1 Report nor a SOC 2 Report can provide Eaglebrook with absolute assurance that a custodian's security arrangements are not susceptible to penetration by outside actors. Gemini has completed both SOC 1 Type 2 and SOC 2 Type 2 examinations for both Gemini Exchange and Gemini Custody that were conducted by Deloitte & Touche LLP. The SOC 1 evaluates the design and implementation of Gemini's financial operations and reporting controls, while the SOC 2 evaluates the design and implementation of the custodian's security, availability, and confidentiality controls. A Type 2 examination assesses management's description of a service organization's system and the suitability of the design and operating effectiveness of controls.

Item 16 Investment Discretion

Eaglebrook generally does not have discretion or the responsibility to perform suitability determinations over Client accounts. Discretion is reserved for Advisors, who have the responsibility for suitability determinations and the authority to:

- determine the amount of their Clients' assets to be invested,
- selects the Model or Custom Allocation Module that is most appropriate for the Client,
- controls the timing and of when to invest or withdraw from a Model or Custom Allocation Module,
- determines the manner of execution (for example, market order, limit order or dollar cost averaging), and
- determines whether to avail its Clients of the tax loss harvesting management process offered in the Investment Platform and to establish the appropriate tax loss harvesting thresholds on behalf of its Clients.

Eaglebrook is obligated to conduct due diligence on Model Providers for purposes of including the model on the Investment Platform, offer and manage its own investment Models, implement the digital asset allocation strategy or Model selected by each Client, implement the tax loss harvesting process where applicable and facilitate the execution and trading of all orders.

The Advisor is responsible for collecting all necessary financial and other information from Client to determine the Client's investment objectives and risk profile and to assist Client in determining the suitability of the digital asset allocation strategy using Custom Allocation Module or Model. Generally, Eaglebrook will by contract seek to have a Client acknowledge that the Advisor and not Eaglebrook or Model Provider has full discretion and responsibility for suitability. A Client is expected to provide accurate and complete information and to promptly inform its Advisor of any material change in Client's financial circumstances, needs, objectives and other information regarding Client. Eaglebrook will not accept liability for a Client's failure to promptly inform the Advisor of material changes in the Client's financial circumstances, which can affect the manner in which the Client's assets are invested. To the extent the Advisor or Client includes investments in a Client account not selected by Eaglebrook or a Model Provider, Eaglebrook will not hold itself responsible for the management of such outside investments.

Although generally the Advisor and not Eaglebrook retains discretion, there are legacy investment management agreements that exist between Eaglebrook and Client directly which provide that Eaglebrook maintains discretion. Eaglebrook no longer enters into such investment management agreements and enters only into non-discretionary relationships.

Form ADV (parts 1 and 2) are designed for disclosures regarding securities and do not specifically reference digital assets. However, in order to provide a meaningful level of disclosure, Eaglebrook has elected to answer the ADV questions regarding discretionary authority over securities as if digital assets were securities. Eaglebrook is of the opinion that disclosing information related to trading and management of digital assets as if they were securities provides the most accurate and meaningful level of disclosure to our Clients, prospective Clients, and regulators.

Item 17 **Voting Client Securities**

Eaglebrook does not vote Client proxies.

Item 18**Financial Information**

Eaglebrook is not required to include a balance sheet for its most recent fiscal year, is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to Clients and has not been the subject of a bankruptcy petition.