



At the end of June, the Enhanced Crypto Fund underwent a portfolio rebalance.

The Enhanced Crypto Fund relies on 3a1 exemption from the 40 Act, which implies that at least 60% of the fund is not security. Currently the Fund has exposure to 50% BTC and ETH, and the remaining 50% are Cardano, Solana and Polygon.

Recently, the SEC sued Coinbase and Binance, claiming thirteen cryptocurrencies (including Cardano, Solana, Polygon, etc) are securities. Note, Bitcoin and Ethereum are not included in the thirteen cryptocurrencies. Coinbase claims that they have had many reviews (including IPO filing) by the SEC with no issues.

In light of this, Yieldstreet is taking preemptive steps to ensure compliance for this Fund and will therefore increase the underlying assets of non-securities to be at a minimum of 60% of the total fund, split between Bitcoin and Ethereum. The remaining assets can be within the thirteen coins in question as long as the aggregate balance remains under 40% of the total fund.

During the rebalance of the portfolio at the end of June, we are planning to increase the exposure to BTC and ETH by raising the maximum cap per coin in the fund from 25% to 35%. Thus, at the end of every month, BTC and ETH will become 70% of the fund. This will offer an additional buffer so the fund does not fall out of compliance with the fluctuations of each asset during any given month.

Regular performance information will continue to be provided on a monthly basis as usual.