GALAXY DEFI INDEX FUND

WHY THE GALAXY DEFI INDEX FUND?

The Galaxy DeFi Index Fund (the "Fund") is a passively managed fund designed to track the performance of the Bloomberg Galaxy DeFi Index (the "DEFI" index) administered and calculated by Bloomberg. The Fund aims to provide investors with returns based on the performance of the DEFI index and provides exposure to the largest, most liquid portion of the decentralized finance sector of the digital asset class. The Fund has robust rules in place to account for the needs of a passively managed fund, balanced with the realities of the sector.

ABOUT GALAXY DIGITAL

Galaxy Digital ("Galaxy") is a diversified merchant bank dedicated to the digital assets and blockchain space. The company was founded by Michael Novogratz. The firm's principals have been investing in digital assets since 2013 and began doing so on behalf of clients in 2018 when establishing the firm's asset management division, Galaxy Digital Asset Management ("GDAM"). GDAM invests client capital across various digital asset strategies, which include investments in bitcoin. GDAM has $1.6 billion in assets under management.[1]

KEY FACTS

ASSET CLASS	Digital Assets
PRICING SOURCE	Bloomberg Galaxy DeFi Index
QUALIFICATION	Accredited Investors
MANAGEMENT FEE	2.0%
PERFORMANCE FEE	None
MINIMUM INVESTMENT	$1M
SUBSCRIPTIONS	Weekly, with a 12 month soft lock up period
REDEMPTIONS	Weekly, available the first week after the 12 month soft lock up period ends.[2]

SERVICE PROVIDERS

INDEX PROVIDER	Bloomberg L.P.
CUSTODY	Gemini
CASH MANAGEMENT	Silvergate Bank
AUDITOR	Deloitte
ADMINISTRATOR	MG Stover
LEGAL COUNSEL TO GALAXY DIGITAL	Davis Polk & Wardwell LLP

1) AUM details are as of July 31, 2021, AUM is inclusive of sub-advised funds, committed capital closed-end vehicles, seed investments by affiliates, and fund of fund products associated with the Vision Hill acquisition.

2) There is a 2% penalty fee for any redemptions made during the 12 month soft lock up period. Redemption orders must be placed by 4:00pm the Monday prior to the desired weekly redemption date (2 day lead time). Galaxy will then have up to 30 days to obligate at least 90% of the redemption price.

METHODOLOGY

ELIGIBILITY

- Classified by Digital Asset Research, Inc. (DAR) as a DeFi asset; one that leverages decentralized protocols mirroring the financial contracts and corporate structures found in traditional finance
- Institutional trading offered by US-based institutions
- Custody services offered by US-based institutions
- Ability to source pricing for the asset from a minimum of three Vetted Sources
- Not deemed a security by the US Securities and Exchange Commission

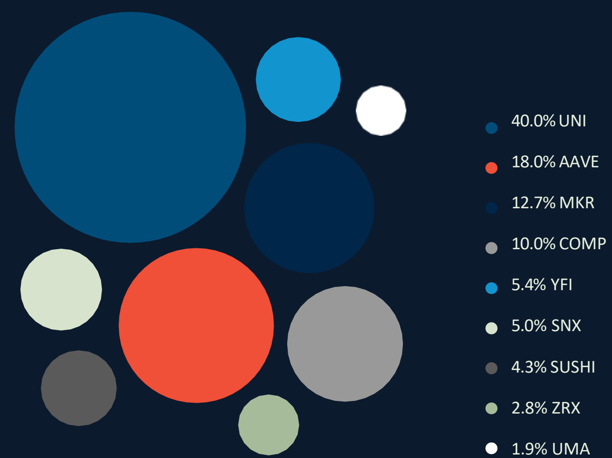
PRICING

- The end of day index price is calculated based on underlying asset pricing snapshots taken at 4:00pm ET and validated by 4:15pm ET
- Underlying asset prices are determined using a time-weighted average price algorithm from 3:30pm - 4:00pm ET
- Fund net asset value is struck every Wednesday, using the underlying asset pricing snapshots that are validated at 4:15pm ET
- Trade prices executed during rebalance/reconstitution will be traded on an over the counter basis to fulfill best execution standards

REBALANCE/RECONSTITUTION

- Cryptocurrencies will be considered for addition/ removal to/from the Fund only on a monthly basis
- Constituents that are already in the Fund will be rebalanced and capped monthly
- Fund weights and constituents will be rebalanced, added or removed in accordance with Index rules
- Constituents meeting the eligibility criterion for three consecutive monthly rebalances are added and the ones falling short for three consecutive monthly rebalances are removed

AUGUST 2021 INITIAL INDEX WEIGHTINGS



Weightings are rounded to the nearest tenth of a percent, therefore, the aggregate weights for the index may not equal 100%.

WEIGHTING

- Constituents are initially Market Cap weighted based on their Circulating Supply
- Weight caps and floors are applied so no constituent is more than 40% or less than 1% at the time of each monthly rebalance
- If a constituent's weight exceeds the cap, its excess weight will be redistributed across all other constituents in proportion to their weight. If a constituent's weight is below the floor, it will be rounded up to the floor with the rounded amount subtracted from the balance of all constituents proportional to their weights

NEW MARKET PARTICIPANTS

- All initial coin offerings (ICO) will be subject to eligibility restrictions set forth by the Index
- Crypto Forks will be treated as new market participants and enter the Fund subject to Index rules
- Token Airdrops, if they occur, will be addressed by Fund management as they occur
- All new market participants will be subject to a lockout period of three consecutive calendar months

FUND NET PERFORMANCE SUMMARY*

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	FY/YTD
2021	N/A	N/A	N/A	N/A	N/A	N/A	N/A						

Past performance is no guarantee of future results. Actual returns may vary.
**From Fund inception, August 18, 2021.*

GALAXY FUNDS RISK FACTORS

Please note that the following are not all the risk factors associated with Digital Assets or the Funds (each, a "Fund"). Refer to the Offering Memorandum of the applicable Fund for more risk factors.

Investment Risks Generally. An investment in the Fund, involves a high degree of risk, including the risk that the entire amount invested may be lost. The Fund will invest in Digital Assets (such as Bitcoin, Ethereum, other cryptocurrencies or blockchain based assets, including those that represent the Decentralized Finance (or DeFi) portion or sector of the digital assets market) using strategies and investment techniques with significant risk characteristics, including risks arising from the volatility of the global Digital Assets markets and the risk of loss from counterparty defaults. The Fund's investment program may use investment techniques that involve substantial volatility and can, in certain circumstances, substantially increase the adverse impact to which the Fund may be subject.
All investments made by the Fund will risk the loss of capital. No guarantee or representation is made that the Fund's investment program will be successful, that the Fund will achieve its investment objective or that there will be any return of capital invested to investors in the Fund, and investment results may vary.

Different from Directly Owning Bitcoin, Ethereum or Other Digital Assets. The performance of the Fund will not reflect the specific return an investor would realize if the investor actually purchased a Digital Asset. Investors in the Fund will not have any rights that Digital Asset holders have.

No Guarantee of Return or Performance. The obligations or performance of the Fund or the returns on investments in the Fund are not guaranteed in any way. Any losses of the Fund will be borne solely by investors in the Fund. Ownership interests in the Fund are not insured by the Federal Deposit Insurance Corporation, and are not deposits, obligations of, or endorsed or guaranteed in any way, by any banking entity.

Regulation. Digital Assets, including Bitcoin, Ethereum and DeFi tokens, are loosely regulated. Ongoing and future regulatory actions may alter, perhaps to a materially adverse extent, the value of a Fund's investment. If any Digital Asset is determined to be a "security" under U.S. federal or state securities laws or a Digital Asset exchange is determined to be operating illegally, it may have material adverse consequences for Digital Assets due to negative publicity or a decline in the general acceptance of Digital Assets. As such, any determination Digital Asset exchanges are operating illegally or that any Digital Asset is a security under U.S. federal or state securities laws may adversely affect the value of a particular Digital Asset or Digital Assets generally and, as a result, the value of a Fund's investment.

Exchanges. Exchanges may suffer from operational issues, such as delayed execution, that could have an adverse effect on the Fund. Digital Asset exchanges have been closed due to fraud, failure or security breaches. Any of the Fund's funds that reside on an exchange that shuts down or suffers a breach may be lost.

Value. Several factors may affect the price of Digital Assets, including Bitcoin, Ethereum and DeFi tokens, including, but not limited to: supply and demand, investors' expectations with respect to the rate of inflation, interest rates, currency exchange rates or future regulatory measures (if any) that restrict the trading of a Digital Asset or the use of a Digital Asset as a form of payment. There is no assurance that a Digital Asset will maintain its long-term value in terms of purchasing power in the future, or that acceptance of bitcoin payments by mainstream retail merchants and commercial businesses will continue to grow.

Protocol. Many Digital Asset networks, including Bitcoin, Ethereum and DeFi tokens, operate on open-source protocols maintained by groups of core developers. The open-source structure of these network protocols means that certain core developers and other contributors may not be compensated, either directly or indirectly, for their contributions in maintaining and developing the network protocol. Lack of incentives to, or a failure to properly, monitor and upgrade network protocol could damage a Digital Asset network. It is possible that a Digital Asset protocol has undiscovered flaws that could result in the loss of some or all assets held by the Fund. There may also be network-scale attacks against a Digital Asset protocol, which could result in the loss of some or all of assets held by the Fund. Advancements in quantum computing could break a Digital Asset's cryptographic rules. The Fund makes no guarantees about the reliability of the cryptography used to create, issue, or transmit Digital Assets held by the Fund.

Volatility & Supply. Values of Digital Assets have historically been highly volatile, experiencing periods of rapid price increase as well as decline. For instance, there were steep increases in the value of certain Digital Assets, including bitcoin, over the course of 2017, and multiple market observers asserted that digital assets were experiencing a "bubble." These increases were followed by steep drawdowns. For example, during the period from December 17, 2017 to February 5, 2018, bitcoin experienced a decline of roughly 60%. For example, during the period from February 13, 2020, until March 16, 2020, the value of bitcoin fell by over 50%. Bitcoin had a strong start to 2021, hitting an all-time high of nearly $65k in April. But, it closed H1 2021 down 47% from its record. Supply of Digital Assets s determined by computer code, not by a central bank. For example, uncertainty related to the effects of Bitcoin's recent and future "halving" could contribute to volatility in the Bitcoin markets. The value of the Bitcoin or other Digital Assets held by a Fund could decline rapidly in future periods, including to zero.

Decentralized Finance (DeFi) Risks. Decentralized Finance (or 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. Common DeFi applications include borrowing/lending Digital Assets and providing liquidity or market making in Digital Assets. 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 lending is subject to counterparty risk and credit risk, but because lending is automated through the DeFi protocol, rather than individual decisions made by a portfolio manager on behalf of a Fund, such risks may be exacerbated, particularly if there are flaws in DeFi protocol's code or operation. 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. Accordingly, DeFi applications may be subject to more risks than engaging in similar activities through regulated financial intermediaries. In addition, in certain decentralized protocols, it may be difficult or impossible to verify the identity of a transaction counterparty necessary to comply with any applicable anti-money laundering, countering the financing of terrorism, or sanctions regulations or controls. All of these risks could cause the value of DeFi tokens held by a Fund to decline, including to zero.

ADDITIONAL INFORMATION

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Except where otherwise indicated, the Information is based on matters as they exist as of the date of preparation and not as of any future date and will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after the date hereof.

Investing in financial markets, the Fund, digital assets, including Bitcoin, and Bitcoin-related industries involves a substantial degree of risk. There can be no assurance that the investment objectives described herein will be achieved. Any investment in the Fund may result in a loss of the entire amount invested. Investment losses may occur, and investors could lose some or all of their investment. No guarantee or representation is made that Galaxy's investment strategy, including, without limitation, its business and investment objectives, diversification strategies or risk monitoring goals, will be successful, and investment results may vary substantially over time. Nothing herein is intended to imply that the Galaxy's investment methodology may be considered "conservative", "safe", "risk free", or "risk averse." Neither historical returns nor economic, market or other performance is an indication of future results.

The performance of the Fund may vary from the performance of the relevant Fund's index or benchmark due to things including, but not limited to, fees and expenses charged to investors. Certain information contained herein (including financial information) has been obtained from published and non-published. sources. Such information has not been independently verified by Galaxy, and Galaxy does not assume responsibility for the accuracy of such information.

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Hedge funds and other alternative investments involve a high degree of risk and can be illiquid due to restrictions on transfer and lack of a secondary trading market. They can be highly leveraged, speculative, and volatile, and an investor could lose all or a substantial amount of an investment. Alternative investments may lack transparency to investors of information as to share price, valuation, and portfolio holdings. Complex tax structures often result in delayed tax reporting and potentially materially different returns for offshore versus onshore investors. Compared to mutual funds, alternative investments are subject to less regulation and often charge higher fees.

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