

# iDirect Multi-Strategy Fund Statement of Additional Information

August 2025

This prospectus provides important information about the Fund that you should know before investing. Please read it carefully and keep it for future reference. The U.S. Securities and Exchange Commission and the Commodity Futures Trading Commission have not approved or disapproved of these securities or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

# iDIRECT MULTI-STRATEGY FUND, LLC

Class A Shares

Class I Shares

August 20, 2025

## STATEMENT OF ADDITIONAL INFORMATION

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New York, NY 10165  
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This Statement of Additional Information (“SAI”) is not a prospectus. This SAI relates to and should be read in conjunction with the prospectus of iDirect Multi-Strategy Fund, LLC (the “Fund”) dated August 20, 2025. A copy of the prospectus may be obtained by contacting the Fund at the telephone number or address set forth above.

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## INVESTMENT POLICIES AND PRACTICES

The Fund is a newly organized, non-diversified, closed-end management investment company. The Fund was organized as a Delaware limited liability company on March 27, 2024. The Fund offers two separate classes of limited liability company interests (“Shares”) designated as Class A (“Class A Shares”) and Class I (“Class I Shares”). Class A Shares and Class I Shares are subject to different fees and expenses.

iCapital Fund Advisors LLC serves as the Fund’s investment adviser (the “Adviser”). The investment objective and principal investment strategies of the Fund, as well as the principal risks associated with the Fund’s investment strategies, are set forth in the prospectus. Certain additional investment information is set forth below.

### Fundamental Policies

The Fund’s stated fundamental policies, which may only be changed by the affirmative vote of a majority of the outstanding voting securities of the Fund, are listed below. As defined by the Investment Company Act of 1940, as amended (the “1940 Act”), the vote of a “majority of the outstanding voting securities of the Fund” means the vote, at an annual or special meeting of the Fund’s shareholders duly called, (a) of 67% or more of the voting securities present at such meeting, if the holders of more than 50% of the outstanding voting securities of the Fund are present or represented by proxy; or (b) of more than 50% of the outstanding voting securities of the Fund, whichever is less. The Fund:

1. will not borrow money or issue any class of senior securities, except to the extent consistent with the 1940 Act, and the rules and regulations thereunder, or as may otherwise be permitted from time to time by regulatory authority;
2. will not “concentrate” its investments in a particular industry or group of industries, except as permitted under the 1940 Act, and the rules and regulations thereunder as such may be interpreted or modified from time to time by regulatory authorities having appropriate jurisdiction;
3. will not make loans, except to the extent consistent with the 1940 Act, and the rules and regulations thereunder, or as may otherwise be permitted from time to time by regulatory authority;
4. will not act as an underwriter of securities of other issuers, except to the extent that, in connection with the disposition of portfolio securities, the Fund may be deemed an underwriter under applicable laws;
5. will not purchase or sell real estate, except to the extent permitted under the 1940 Act and the rules and regulations thereunder, as such may be interpreted or modified from time to time by regulatory authorities having appropriate jurisdiction;
6. will not invest in physical commodities or contracts relating to physical commodities, except to the extent permitted under the 1940 Act and other applicable laws, rules and regulations, as such may be interpreted or modified by regulatory authorities having jurisdiction, from time to time and as set forth in the Fund’s prospectus and SAI;
7. will not purchase securities on margin, except as permitted under the 1940 Act, and the rules and regulations thereunder as such may be interpreted or modified from time to time by regulatory authorities having appropriate jurisdiction; and
8. will not engage in short sales or write put or call options, except as permitted under the 1940 Act, and the rules and regulations thereunder as such may be interpreted or modified from time to time by regulatory authorities having appropriate jurisdiction.

With respect to the Fund’s policy not to invest 25% or more of the value of its total assets in the securities, other than U.S. Government securities, of issuers engaged in any single industry, in determining whether the Fund is concentrated in an industry or group of industries, the Adviser will use its reasonable best efforts to take into account the Portfolio Funds’ focus on particular industries.

With respect to these investment restrictions and other policies described in this SAI or the prospectus, if a percentage restriction is adhered to at the time of an investment or transaction, a later change in percentage resulting from a change in the values of investments or the value of the Fund’s total assets, unless otherwise stated, will not constitute a violation of such restriction or policy. The Fund’s investment policies and restrictions do not apply to the activities and transactions of Portfolio Funds in which assets of the Fund are invested.

The Fund’s investment objective is not fundamental and may be changed without the vote of a majority of the Fund’s outstanding voting securities (as defined by the 1940 Act).

## REPURCHASES OF SHARES

### Repurchase Offers

The Adviser will recommend to the Board of Managers (subject to the Board of Managers' discretion) that the Fund offer to repurchase Shares from Shareholders on a quarterly basis in an amount not to exceed 5% of the Fund's net asset value. In determining whether the Fund should repurchase Shares from shareholders of the Fund ("Shareholders") pursuant to written tenders, the Board of Managers will consider the recommendation of the Adviser. The Board of Managers also will consider various factors, including, but not limited to, those listed in the prospectus, in making its determinations.

The Board of Managers will cause the Fund to make offers to repurchase Shares from Shareholders pursuant to written tenders only on terms it determines to be fair to the Fund and to all Shareholders of the Fund. When the Board of Managers determines that the Fund will repurchase Shares, notice will be provided to each Shareholder of the Fund describing the terms thereof, and containing information Shareholders should consider in deciding whether and how to participate in such repurchase opportunity. Shareholders who are deciding whether to tender their Shares during the period that a repurchase offer is open may ascertain an estimated net asset value of their Shares (which is calculated once a month at month-end) from Ultimus Fund Services, LLC, the administrator for the Fund, during such period. If a repurchase offer is oversubscribed by Shareholders, the Fund may repurchase only a pro rata portion of the Shares tendered by each Shareholder, extend the repurchase offer, or take any other action with respect to the repurchase offer permitted by applicable law.

Payment for repurchased Shares may require the Fund to liquidate portfolio holdings earlier than the Adviser would otherwise liquidate these holdings, potentially resulting in losses, and may increase the Fund's portfolio turnover. The Adviser intends to take measures (subject to such policies as may be established by the Board of Managers) to attempt to avoid or minimize potential losses and turnover resulting from the repurchase of Shares.

### Mandatory Repurchases and Redemptions

As noted in the prospectus, the Fund has the right to repurchase and/or redeem Shares of a Shareholder or any person acquiring Shares from or through a Shareholder under certain circumstances, in accordance with the terms of its Limited Liability Company Operating Agreement and the 1940 Act, including Rule 23c-2 under the 1940 Act. Such mandatory redemptions may be made if:

- the Shares have been transferred or have vested in any person other than by operation of law as the result of the death, bankruptcy, insolvency, adjudicated incompetence or dissolution of the Shareholder or with the consent of the Fund, as described below;
- ownership of Shares by a Shareholder or other person is likely to cause the Fund to be in violation of, require registration of any Shares under, or subject the Fund to additional registration or regulation under, the securities, commodities or other laws of the United States or any other relevant jurisdiction;
- continued ownership of Shares by a Shareholder may be harmful or injurious to the business or reputation of the Fund, the Board of Managers, the Adviser or any of their affiliates, or may subject the Fund or any Shareholder to an undue risk of adverse tax or other fiscal or regulatory consequences;
- any of the representations and warranties made by a Shareholder or other person in connection with the acquisition of Shares was not true when made or has ceased to be true;
- with respect to a Shareholder subject to Special Laws or Regulations, the Shareholder is likely to be subject to additional regulatory or compliance requirements under these Special Laws or Regulations by virtue of continuing to hold any Shares; or
- it would be in the best interests of the Fund for the Fund to repurchase the Shares.

## MANAGEMENT OF THE FUND

The Managers supervise the Fund's affairs under the laws governing limited liability companies in the State of Delaware. The Managers have approved contracts under which certain companies provide essential management, administrative and shareholder services to the Fund.

### Managers and Officers

The Board of Managers consists of four Managers. Three Managers have no affiliation or business connection with the Adviser or any of its affiliated persons and do not own any stock or other securities issued by the Adviser. These are the "non-interested" or "Independent Managers" and are not considered "interested persons" (as defined in the 1940 Act) of the Fund or the Adviser. The other one Manager (the "Interested Manager") is affiliated with the Adviser.

**Board Structure and Oversight Function.** The Board of Managers' leadership structure features an Independent Manager serving as Chairperson and the Board Committee described below. The Chairperson participates in the preparation of the agenda for meetings of the Board of Managers and the preparation of information to be presented to the Board of Managers with respect to matters to be acted upon by the Board of Managers. The Chairperson also presides at all meetings of the Board of Managers and is involved in discussions regarding matters pertaining to the oversight of the management of the Fund between meetings.

The Board of Managers operates using a committee structure to facilitate the timely and efficient consideration of all matters of importance to the Managers, the Fund and Fund Shareholders, and to facilitate compliance with legal and regulatory requirements and oversight of the Fund's activities and associated risks. The Board of Managers has established two standing committees: the Audit Committee and Nominating and Governance Committee. The Audit Committee and Nominating and Governance Committee are each comprised exclusively of Independent Managers. The Audit Committee and Nominating and Governance Committee charters govern the scope of each Committee's responsibilities with respect to the oversight of the Fund. The responsibilities of the Audit Committee and Nominating and Governance Committee, including their oversight responsibilities, are described further under the caption "Independent Managers, the Audit Committee and the Nominating and Governance Committee."

The Fund is subject to a number of risks, including investment, compliance, operational and valuation risk, among others. The Board of Managers oversees these risks as part of its broader oversight of the Fund's affairs through various Board of Managers and committee activities. The Board of Managers has adopted, and periodically reviews, policies and procedures designed to address various risks to the Fund. In addition, appropriate personnel, including but not limited to the Fund's Chief Compliance Officer, members of the Fund's administration and accounting teams, representatives from the Fund's independent registered public accounting firm, the Fund's Treasurer and portfolio management personnel and independent valuation and brokerage evaluation service providers, make regular reports regarding the Fund's activities and related risks to the Board of Managers and the Audit Committee, as appropriate. These reports include, among others, quarterly performance reports, quarterly derivatives activity and risk reports and discussions with members of the risk teams relating to each asset class. The Board of Managers' committee structure allows the Audit Committee to focus on certain aspects of risk and the potential impact of these risks on the Fund and then report back to the full Board of Managers. In between regular meetings, Fund officers also communicate with the Managers regarding material exceptions and items relevant to the Board of Managers' risk oversight function.

The Board of Managers recognizes that it is not possible to identify all of the risks that may affect the Fund, and that it is not possible to develop processes and controls to eliminate all of the risks that may affect the Fund. Moreover, the Board of Managers recognizes that it may be necessary for the Fund to bear certain risks (such as investment risks) to achieve its investment objective.

As needed between meetings of the Board of Managers, the Board of Managers, Audit Committee or Nominating and Governance Committee receives and reviews reports relating to the Fund and engages in discussions with appropriate parties relating to the Fund's operations and related risks.

### **Independent Managers**

The Fund seeks as Managers individuals of distinction and experience in business and finance, government service or academia. In determining that a particular Manager was and continues to be qualified to serve as Manager, the Board of Managers has considered a variety of criteria, none of which, in isolation, was controlling. Based on a review of the experience, qualifications, attributes or skills of each Manager, including those enumerated in the table below, the Board of Managers has determined that each of the Managers is qualified to serve as a Manager of the Fund. In addition, the Board of Managers believes that, collectively, the Managers have balanced and diverse experience, qualifications, attributes and skills that allow the Board of Managers to operate effectively in governing the Fund and protecting the interests of Shareholders. Information about the Board of Managers nomination process is provided below under the caption "Independent Managers, the Audit Committee and the Nominating and Governance Committee."

The Managers of the Fund, their ages, addresses, positions held, lengths of time served, their principal business occupations during the past five years, the number of portfolios in the Fund Complex (defined below) overseen by each Independent Manager and other directorships, if any, held by the Managers, are shown below. The Fund Complex includes all open-end and closed-end funds (including all of their portfolios) advised by the Adviser and any registered funds that have an adviser that is an affiliate of the Adviser.

Name, Age and Address	Position(s) Held with Registrant	Length of Time Served*	Principal Occupation(s) During Past 5 Years	Number of Portfolios Overseen in Fund Complex	Other Managerships/Directorships Held Outside the Fund Complex**
<b>Independent Managers</b>					
Mark D. Gersten (74) c/o iDirect Multi-Strategy Fund, LLC One Grand Central Place 60 East 42nd Street, 26th Floor New York, NY 10165	Manager	Indefinite Length – Since 2025	Independent Consultant (since 2012)	5	Trustee of Northern Lights Fund Trust (since 2013); Northern Lights Variable Trust (since 2013); and Two Roads Shared Trust (since 2012)
Anita K. Krug (55) c/o iDirect Multi-Strategy Fund, LLC One Grand Central Place 60 East 42nd Street, 26th Floor New York, NY 10165	Manager	Indefinite Length – Since 2025	Dean and Professor Chicago Kent Law School (since 2019); Interim Vice Chancellor for Academic Affairs University of Washington Bothell (2018 – 2019); and University of Washington School of Law Interim Dean (2017 – 2018), Professor (2016 – 2019), Associate Professor (2014 – 2016), and Assistant Professor (2010 – 2014)	5	Trustee of Two Roads Shared Trust (since 2012) and Centerstone Investors Trust (from 2016-2021); Manager of the Altair/Eagle Funds (since 2024)
Christopher Russell (59) c/o iDirect Multi-Strategy Fund, LLC One Grand Central Place 60 East 42nd Street, 26th Floor New York, NY 10165	Manager	Indefinite Length – Since 2025	Partner and Manager, CWR Partners LLC (since 2023); Manager and Owner, SCWM Capital LLC (since 2024); Managing Director, Partners Group (2018-2024)	5	None

\* Each Manager serves an indefinite term, until his or her successor is elected.

\*\* This includes any directorships at public companies and registered investment companies held by the Manager at any time during the past five years.

The Manager who is affiliated with the Adviser or affiliates of the Adviser (as set forth below) and his age, address, positions held, length of time served, his principal business occupations during the past five years, the number of portfolios in the Fund Complex overseen by the Interested Manager and the other directorships, if any, held by the Interested Manager, are shown below.

Name, Age and Address	Position(s) Held	Length of Time	Principal Occupation(s) During Past	Number of Portfolios Overseen in Fund	Other Managerships/ Directorships Held Outside the Fund
	with Registrant	Served*	5 Years	Complex	Complex**
<b>Interested Manager</b>					
Nick Veronis (59) One Grand Central Place 60 East 42nd Street, 26th Floor New York, NY 10165	Manager and President	Indefinite Length — Since 2025	Co-Founder and Managing Partner of iCapital Network	5	None

\* Each Manager serves an indefinite term, until his or her successor is elected.

\*\* This includes any directorships at public companies and registered investment companies held by the Manager at any time during the past five years.

The executive officers of the Fund, their ages, addresses, positions held, lengths of time served and their principal business occupations during the past five years are shown below.

Name, Age and Address	Position(s) Held with Registrant	Term of Office and Length of Time Served*	Principal Occupation(s) During Past 5 Years
<b>Officers</b>			
Dan Ellenwood (55) c/o Northern Lights Compliance Services, LLC 4221 North 203 <sup>rd</sup> Street, Suite 100 Elkhorn, NE 68022	Chief Compliance Officer	Indefinite Length — Since 2025	Vice President and Senior Compliance Officer, Northern Lights Compliance Services, LLC (since 2024); Chief Compliance Officer, North Square Investments (2021-2023); Vice President and Fund Compliance Oversight Manager, Nuveen Investments (2013-2021).
Indira Mahadeo (53) c/o iDirect Multi-Strategy Fund, LLC One Grand Central Place 60 East 42nd Street, 26th Floor New York, NY 10165	Treasurer, Principal Financial Officer and Principal Accounting Officer	Indefinite Length — Since 2025	Managing Director and Global Head of Fund Finance and Treasury (since 2024) and Global Head of Strategic Transformation for MSIM Operations Platforms (2019-2024)
Stephen Jacobs (62) c/o iDirect Multi-Strategy Fund, LLC One Grand Central Place 60 East 42nd Street, 26th Floor New York, NY 10165	Secretary	Indefinite Length — Since 2025	General Counsel, Institutional Capital Network, Inc. (since 2019) and Chief Operating Partner and Co-Chair of the Corporate Department, Herrick Feinstein LLP (2016 –2019)
Timothy Burdick (37) c/o iDirect Multi-Strategy Fund, LLC One Grand Central Place 60 East 42nd Street, 26th Floor New York, NY 10165	Assistant Secretary	Indefinite Length – Since 2025	Vice President and Managing Counsel, Ultimus Fund Solutions, LLC (since 2022); Assistant Vice President and Counsel, Ultimus Fund Solutions, LLC (2019 – 2022); and Senior Program Compliance Manager, CJ Affiliate (2016 – 2019).

\* Each officer serves an indefinite term, until his or her successor is elected.

For each Manager, the dollar range of equity securities beneficially owned by the Manager in the Fund and in the Family of Investment Companies (Family of Investment Companies includes all of the registered investment companies advised by the Adviser) as of December 31, 2024, is set forth in the table below.

Name of Manager	Dollar Range of Equity Securities in the Fund	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Manager in Family of Investment Companies
<b>Independent:</b>		
Mark D. Gersten	None	Over \$100,000
Anita K. Krug	None	None
Christopher Russell	None	None
<b>Interested:</b>		
Nick Veronis	None	Over \$100,000

As to each Independent Manager and his or her immediate family members, no person owned beneficially or of record securities of an investment adviser or principal underwriter of the Fund, or a person (other than a registered investment company) directly or indirectly controlling, controlled by or under common control with an investment adviser or principal underwriter of the Fund.

As of July 31, 2025, the Managers and Officers of the Fund, as a group, owned less than 1% of the outstanding Shares of each class of the Fund.

#### **Independent Managers, the Audit Committee and the Nominating and Governance Committee**

Law and regulation establish both general guidelines and specific duties for the Independent Managers. The Board of Managers currently has two committees: the Audit Committee and the Nominating and Governance Committee.

The Independent Managers are charged with recommending to the full Board of Managers approval of management, advisory and administration contracts, and distribution and underwriting agreements; continually reviewing fund performance; brokerage commissions, transfer agent costs and performance and trading among funds in the same complex; and approving fidelity bond and related insurance coverage and allocations, as well as other matters that arise from time to time.

The Board of Managers has separately-designated standing Audit and Nominating and Governance Committees. The Audit Committee is charged with recommending to the full Board of Managers the engagement or discharge of the Fund's independent registered public accounting firm; directing investigations into matters within the scope of the independent registered public accounting firm's duties, including the power to retain outside specialists; reviewing with the independent registered public accounting firm the audit plan and results of the auditing engagement; approving professional services provided by the independent registered public accounting firm and other accounting firms prior to the performance of the services; reviewing the independence of the independent registered public accounting firm; considering the range of audit and non-audit fees; reviewing the adequacy of the Fund's system of internal controls; and reviewing the valuation process. The Fund has adopted a formal, written Audit Committee Charter.

The members of the Audit Committee of the Fund are Mark D. Gersten, Anita K. Krug and Christopher Russell. None of the members of the Fund's Audit Committee is an "interested person," as defined under the 1940 Act, of the Fund (with such disinterested Managers being "Independent Managers" or individually, "Independent Manager"). The Chairperson of the Audit Committee of the Fund is Christopher Russell.

The Nominating and Governance Committee is responsible for selecting, researching and nominating managers for election by the Fund's Shareholders, selecting nominees to fill vacancies on the Board or a committee of the Board of Managers, developing and recommending to the Board a set of corporate governance principles and overseeing the evaluation of the Board and its committees. The Fund has adopted a formal, written Nominating and Governance Committee Charter. The Nominating and Governance Committee may consider recommendations for nomination of individuals for election as managers from Shareholders.

The members of the Nominating and Governance Committee of the Fund are Mark D. Gersten, Anita K. Krug and Christopher Russell. The members of the Fund's Nominating and Governance Committee are Independent Managers. The Chairperson of the Nominating and Governance Committee of the Fund is Anita K. Krug.

The Fund does not have a separate valuation committee. The Board of Managers believes that any items required to be considered pursuant to the Fund's valuation procedures or Rule 2a-5 under the 1940 Act would be reviewed by the full Board of Managers.

#### **Experience, Qualifications and Attributes**

The Board of Managers has concluded, based on each Manager's experience, qualifications and attributes that each Manager should serve on the Board of Managers. Following is a brief summary of the information that led to and/or supports this conclusion.



Mark Gersten has over 35 years of business experience in the investment management business with a focus on mutual funds and alternative funds. He serves as a member of other mutual fund boards outside of the Fund Complex and possesses a strong understanding of the regulatory framework under which investment companies must operate based on his service to this Board of Managers and extensive experience administering mutual funds. Mr. Gersten is a certified public accountant and holds an MBA in accounting.

Anita Krug has extensive experience as an attorney advising investment advisory firms, particularly those managing hedge funds. She also has extensive experience as a law professor whose scholarship focuses on investment advisers, hedge funds, and mutual funds.

Christopher Russell has extensive experience as a global private equity executive with over 25 years of investment experience in buyouts, growth equity, structured equity and credit. Mr. Russell has served on over 20 portfolio company boards as a director, for both private and public companies, and in both the U.S. and internationally.

Nick Veronis has extensive experience in the asset management and investment banking industries.

The Managers' principal occupations during the past five years or more are shown in the above tables.

## Shareholder Communications

Shareholders may send communications to the Board of Managers. Shareholders should send communications intended for the Board of Managers by addressing the communications directly to that Board of Managers (or individual Managers) and/or otherwise clearly indicating in the salutation that the communication is for the Board of Managers (or individual Managers) and by sending the communication to either the Fund's office or directly to such Manager(s) at the address specified for each Manager previously noted. Other Shareholder communications received by the Fund not directly addressed and sent to the Board of Managers will be reviewed and generally responded to by management, and will be forwarded to the Board of Managers only at management's discretion based on the matters contained therein.

## COMPENSATION

Each Independent Manager is paid an annual retainer of \$15,000, and each Independent Manager receives an additional special meeting fee of \$1,000 for his or her participation in any special meeting of the Board of Managers or the Audit Committee. The Chairperson of the Board of Managers, Chairperson of the Audit Committee and Chairperson of the Nominating and Governance Committee are also paid additional annual fees of \$15,000, \$10,000 and \$5,000, respectively, each of which a fifth is allocated to the Fund. All Managers are reimbursed for their reasonable out-of-pocket expenses. The Managers do not receive any pension or retirement benefits from the Fund.

The following is the total compensation<sup>(1)</sup> paid to the Managers during the fiscal year ended March 31, 2025:

<b>Name of Independent Manager</b>	<b>Aggregate Compensation from the Fund</b>	<b>Total Compensation from the Fund Complex Paid to Managers(2)</b>
Independent:		
Mark D. Gersten	None	\$ 60,000
Anita K. Krug	None	\$ 45,000
Christopher Russell	None	None
Name of Interested Manager		
Nick Veronis	None	None

(1) Each Manager was elected to the Board on January 31, 2025. Under current compensation arrangements, it is estimated that the Managers will receive the following compensation from the Fund for the current fiscal year:

<b>Name of Independent Manager</b>	<b>Aggregate Compensation from the Fund</b>	<b>Total Compensation from the Fund Complex Paid to Managers(2)</b>
Independent:		
Mark D. Gersten	\$ 18,000	\$ 90,000
Anita K. Krug	\$ 16,000	\$ 80,000
Christopher Russell	\$ 17,000	\$ 85,000
Name of Interested Manager		
Nick Veronis	None	None

(2) During the fiscal year ended March 31, 2025, the Fund Complex was comprised of the Fund, iDirect Private Markets Fund, iDirect Private Credit Fund, L.P. and TPG Private Markets Fund.

## Code of Ethics

Pursuant to Rule 17j-1 under the 1940 Act, the Board of Managers has adopted a Code of Ethics for the Fund and approved Codes of Ethics adopted by the Adviser and the Distributor (collectively the “Codes”). The Codes are intended to ensure that the interests of Shareholders and other clients are placed ahead of any personal interest, that no undue personal benefit is obtained from the person’s employment activities and that actual and potential conflicts of interest are avoided.

The Codes apply to the personal investing activities of Managers and officers of the Fund and the Adviser and the Distributor (“Access Persons”).

Rule 17j-1 under the 1940 Act and the Codes are designed to prevent unlawful practices in connection with the purchase or sale of securities by Access Persons, including with respect to securities that may be purchased or held by the Fund (which may only be purchased by Access Persons so long as the requirements set forth in the Codes are complied with). Under the Codes, Access Persons are permitted to engage in personal securities transactions, but are required to report their personal securities transactions for monitoring purposes. In addition, certain Access Persons are required to obtain approval before investing in initial public offerings or private placements. The Codes are on file with the SEC, and are available to the public.

## Investment Advisory and Distribution Agreements

iCapital Fund Advisors LLC (“Adviser”) a registered investment adviser, is owned by Institutional Capital Network, Inc. (“iCapital”). iCapital is a financial technology company that provides tech-based solutions for advisors, their high-net-worth client base, asset managers, and banks. It is assisted in this task by affiliates including a registered investment adviser, iCapital Advisors, LLC, that provides investment advisory services and investment administration to privately offered funds, and a registered broker-dealer that provides a range of broker-dealer services, including private placement of securities and distribution of the Fund’s shares. The Adviser is a Delaware limited liability company formed in 2024 that provides advisory services to the Fund, which is its only client. As of March 31, 2025, iCapital had total platform assets of \$228 billion, including \$35 billion in international platform assets.

The Adviser serves as investment adviser to the Fund pursuant to investment management agreement entered into between the Fund and the Adviser (the “Investment Advisory Agreement”). The Managers have engaged the Adviser to provide investment advice to, and manage the day-to-day business and affairs of the Fund under the ultimate supervision of, and subject to any policies established by, the Board of Managers. The Adviser allocates the Fund’s assets and monitors regularly each Portfolio Fund to determine whether its investment program is consistent with the Fund’s investment objective and whether the Portfolio Fund’s investment performance and other criteria are satisfactory. The Adviser may sell Portfolio Funds and select additional Portfolio Funds, subject in each case to the ultimate supervision of, and any policies established by, the Board of Managers. The Adviser also provides, or arranges at its expense, for certain management and administrative services for the Fund. Some of those services include providing support services, maintaining and preserving certain records, and preparing and filing various materials with state and U.S. federal regulators.

The offices of the Adviser are located at 60 East 42nd Street, New York, New York, and its telephone number is (212) 994-7400. The Adviser or its designee maintains the Fund’s accounts, books and other documents required to be maintained under the 1940 Act at Ultimus Fund Services, LLC, 80 Arkay Drive, Hauppauge, NY 11788.

## Approval of the Investment Advisory Agreement

The Investment Advisory Agreement was approved by the Board of Managers (including a majority of the Independent Managers) at a meeting held on January 31, 2025. The Investment Advisory Agreement has an initial term of two years and will continue in effect from year to year thereafter so long as such continuance is approved annually by the Board of Managers or by vote of a majority of the outstanding voting securities of the Fund; provided that in either event the continuance is also approved by a majority of the Independent Managers. The Investment Advisory Agreement is terminable without penalty, on 60 days’ prior written notice: by the Board of Managers; by vote of a majority of the outstanding voting securities of the Fund; or by the Adviser. The Investment Advisory Agreement also provides that it will terminate automatically in the event of its “assignment,” as defined by the 1940 Act and the rules thereunder.

In consideration of the management and administrative services provided by the Adviser to the Fund, the Fund pays, out of the Fund’s assets, the Adviser a management fee (the “Management Fee”) at the annual rate of 0.80% of the Fund’s net asset value.

The Investment Advisory Agreement provides that in the absence of willful misfeasance, bad faith, gross negligence in the performance of its duties or reckless disregard of its obligations and duties under the Investment Advisory Agreement, the Adviser is not liable for any loss the Fund sustains for any investment, adoption of any investment policy, or the purchase, sale or retention of any security.

A discussion of the factors considered by the Board of Managers in approving the Investment Advisory Agreement is set forth in the Fund’s annual report to Shareholders for the fiscal year ended March 31, 2025.

## Distributor

iCapital Markets LLC (the “Distributor”) serves as the Fund’s distributor pursuant to a distribution agreement (the “Distribution Agreement”). The principal office of the Distributor is located at 60 East 42nd Street, New York, New York 10165. Under the Distribution Agreement, the Distributor, as agent of the Fund, agrees to use its best efforts as sole distributor of the Fund’s shares. The Distribution Agreement continues in effect so long as such continuance is approved at least annually by the Board of Managers, including a majority of those Managers who are not parties to the Distribution Agreement nor interested persons of any such party.

## Other Accounts Managed by the Portfolio Managers

Because the portfolio managers may manage assets for other investment companies, pooled investment vehicles, and/or other accounts (including institutional clients, pension plans and certain high net worth individuals), there may be an incentive to favor one client over another resulting in conflicts of interest. For instance, the Adviser may receive fees from certain accounts that are higher than the fee it receives from the Fund, or it may receive a performance-based fee on certain accounts. In those instances, the portfolio managers may have an incentive to favor the higher and/or performance-based fee accounts over the Fund. In addition, a conflict of interest could exist to the extent the Adviser has proprietary investments in certain accounts, where portfolio managers have personal investments in certain accounts or when certain accounts are investment options in the Adviser’s employee benefits and/or deferred compensation plans. The portfolio manager may have an incentive to favor these accounts over others. If the Adviser manages accounts that engage in short sales of securities of the type in which the Fund invests, the Adviser could be seen as harming the performance of the Fund for the benefit of the accounts engaging in short sales if the short sales cause the market value of the securities to fall. The Adviser has adopted trade allocation and other policies and procedures that it believes are reasonably designed to address these and other conflicts of interest.

The following table shows information regarding accounts (other than the Fund) managed by each named portfolio manager as of March 31, 2025:

	Number of Accounts	Total Assets in Accounts (\$ million)	Number of Accounts Subject to a Performance- Based Advisory Fee	Total Assets in Accounts Subject to a Performance- Based Advisory Fee (\$ million)
<b>Nick Veronis</b>				
Registered Investment Companies	2	1,083	0	0
Other Pooled Investment Vehicles	0	0	0	0
Other Accounts	0	0	0	0

	Number of Accounts	Total Assets in Accounts (\$ million)	Number of Accounts Subject to a Performance- Based Advisory Fee	Total Assets in Accounts Subject to a Performance- Based Advisory Fee (\$ million)
<b>Joseph Burns</b>				
Registered Investment Companies	0	0	0	0
Other Pooled Investment Vehicles	0	0	0	0
Other Accounts	0	0	0	0

## Securities Ownership of Portfolio Managers

As of June 30, 2025, the dollar range of securities beneficially owned by the portfolio managers in the Fund is shown below:

Nick Veronis	0
Joseph Burns	0

## Portfolio Manager Compensation Structure

For services as a portfolio manager to the Fund, Nick Veronis and Joseph Burns receive (i) a fixed annual salary, (ii) a discretionary bonus determined by reference to personal performance, as well as the performance of iCapital and the Adviser, (iii) a 401K matching plan, and (iv) one or more option grants pursuant to the iCapital option plan, as amended, which typically vest over a four year period. Such amounts are payable by iCapital (or a subsidiary of iCapital) and not by the Adviser of Fund. Mr. Veronis also has an equity interest in a privately-held entity that directly or indirectly controls the Adviser and its affiliates, and will receive compensation from that entity based upon the future profitability of the Adviser and its affiliates. Mr. Veronis may also receive from the privately-held entity that directly or indirectly controls the Adviser and its affiliates discretionary bonuses and other discretionary compensation in connection with his role as a senior executive of the firm.

## **Proxy Voting Policies and Procedures and Proxy Voting Record**

Investments in the Portfolio Funds do not typically convey traditional voting rights, and the occurrence of corporate governance or other consent or voting matters for this type of investment is substantially less than that encountered in connection with registered equity securities. On occasion, however, the Fund may receive notices or proposals from the Portfolio Funds seeking the consent of or voting by holders ("proxies"). The Fund has delegated any voting of proxies in respect of portfolio holdings to the Adviser to vote the proxies in accordance with the Adviser's proxy voting guidelines and procedures. In general, the Adviser believes that voting proxies in accordance with the policies described below will be in the best interests of the Fund.

The Adviser will generally vote to support management recommendations relating to routine matters, such as the election of board members (where no corporate governance issues are implicated) or the selection of independent auditors. The Adviser will generally vote in favor of management or investor proposals that the Adviser believes will maintain or strengthen the shared interests of investors and management, increase value for investors and maintain or increase the rights of investors. On non-routine matters, the Adviser will generally vote in favor of management proposals for mergers or reorganizations and investor rights plans, so long as it believes such proposals are in the best economic interests of the Fund. In exercising its voting discretion, the Adviser will seek to avoid any direct or indirect conflict of interest presented by the voting decision. If any substantive aspect or foreseeable result of the matter to be voted on presents an actual or potential conflict of interest involving the Adviser, the Adviser will make written disclosure of the conflict to the Independent Managers indicating how the Adviser proposes to vote on the matter and its reasons for doing so.

The Fund intends to hold its interests in the Portfolio Funds in non-voting form. Where only voting securities are available for purchase by the Fund, in all, or substantially all, instances, the Fund will seek to create by contract the same result as owning a non-voting security by entering into a contract, typically before the initial purchase, to relinquish the right to vote in respect of its investment.

### **Third-Parties**

To assist in its responsibility for voting proxies, the Adviser may from time to time retain experts in the proxy voting and corporate governance area as proxy research providers ("Research Providers"). The services provided to the Adviser by the Research Providers would include in depth research, global issuer analysis, and voting recommendations. While the Adviser may review and utilize recommendations made by the Research Providers in making proxy voting decisions, it is in no way obligated to follow any such recommendations. In addition to research, the Research Providers could provide vote execution, reporting and recordkeeping. The Board of Managers would carefully monitor and supervise the services provided by any Research Providers.

### **Further Information**

For a copy of the Proxy Policy, see Annex A to this SAI. A copy of the Proxy Policy is also available on the SEC's website at [www.sec.gov](http://www.sec.gov). Information regarding how the Fund voted proxies (if any) relating to portfolio securities during the most recent 12-month period ended June 30 will be available (i) without charge, upon request, by calling 833-640-7393; (ii) on or through the Fund's website at [www.idirectinvestments.com](http://www.idirectinvestments.com) without charge; and (iii) on the SEC's website at [www.sec.gov](http://www.sec.gov).

## **CONFLICTS OF INTEREST**

### **The Adviser**

The Adviser or its affiliates provide or may provide investment advisory and other services to various entities. The Adviser and certain of its investment professionals and other principals, may also carry on substantial investment activities for their own accounts, for the accounts of family members and for other accounts (collectively, with the other accounts advised by the Adviser and its affiliates, "Other Accounts"). The Fund has no interest in these activities. As a result of the foregoing, the Adviser and the investment professionals who, on behalf of the Adviser, will manage the Fund's investment portfolio will be engaged in substantial activities other than on behalf of the Fund, may have differing economic interests in respect of such activities, and may have conflicts of interest in allocating their time and activity between the Fund and Other Accounts. Such persons will devote only so much of their time as in their judgment is necessary and appropriate.

There also may be circumstances under which the Adviser will cause one or more Other Accounts to commit a larger percentage of its assets to an investment opportunity than to which the Adviser will commit the Fund's assets. There also may be circumstances under which the Adviser will consider participation by Other Account in investment opportunities in which the Adviser does not intend to invest on behalf of the Fund, or vice versa.

Additionally, the other clients of the Adviser or its affiliates may, subject to applicable law, hold securities, loans or other instruments of an issuer in a different class or a different part of the capital structure than securities, loans or other instruments of such issuer held directly or indirectly by the Fund. As a result, another client may pursue or enforce rights or activities or vote on certain matters, or refrain from pursuing or enforcing rights or activities or voting on certain matters, on behalf of its own account, which could have an adverse effect on the Fund. Conversely, the Adviser may determine not to pursue or enforce rights or activities available to the Fund that might be unfavorable to such other client or may determine not to vote on certain matters, on behalf of the Fund, in a manner that might be unfavorable to such other client, including by abstaining from the relevant vote or voting in line with other similarly situated investors.

The Adviser also intends to compensate, from its own resources, third-party securities dealers, other industry professionals and any affiliates thereof (“financial intermediaries”) in connection with the distribution of Shares in the Fund or for their ongoing servicing of Shares acquired by their clients. Such compensation may take various forms, including a fixed fee, a fee determined by a formula that takes into account the amount of client assets invested in the Fund, the timing of investment or the overall net asset value of the Fund, or a fee determined in some other method by negotiation between the Adviser and such financial intermediaries. Financial intermediaries may also charge investors, at the financial intermediaries’ discretion, a placement fee based on the purchase price of Fund Shares purchased by the investor. As a result of the various payments that financial intermediaries may receive from investors and the Adviser, the amount of compensation that a financial intermediary may receive in connection with the sale of Shares in the Fund may be greater than the compensation it may receive for the distribution of other investment products. This difference in compensation may create an incentive for a financial intermediary to recommend the Fund over another investment product.

Financial intermediaries may be subject to certain conflicts of interest with respect to the Fund. For example, the Fund, the Adviser, Portfolio Funds or portfolio companies or investment vehicles sponsored or managed by the Adviser, or a Portfolio Fund Managers or other hedge fund manager (each an “Investment Manager”) may (i) purchase securities or other assets directly or indirectly from, (ii) enter into financial or other transactions with or (iii) otherwise convey benefits through commercial activities to a financial intermediary. As such, certain conflicts of interest may exist between such persons and a financial intermediary. Such transactions may occur in the future and generally there is no limit to the amount of such transactions that may occur.

Financial intermediaries may perform investment advisory and other services for other investment entities with investment objectives and policies similar to those of the Fund or a Portfolio Fund. Such entities may compete with the Fund or the Portfolio Fund for investment opportunities and may invest directly in such investment opportunities. Financial intermediaries that invest in a Portfolio Fund or a portfolio company may do so on terms that are more favorable than those of the Fund.

Financial intermediaries that act as selling agents for the Fund also may act as distributor for a Portfolio Fund in which the Fund invests and may receive compensation in connection with such activities. Such compensation would be in addition to the placement fees described above. Financial intermediaries may pay all or a portion of the fees paid to it to certain of their affiliates, including, without limitation, financial advisors whose clients purchase Shares of the Fund. Such fee arrangements may create an incentive for a financial intermediary to encourage investment in the Fund, independent of a prospective Shareholder’s objectives.

A financial intermediary may provide financing, investment banking services or other services to third parties and receive fees therefore in connection with transactions in which such third parties have interests which may conflict with those of the Fund or a Portfolio Fund. A financial intermediary may give advice or provide financing to such third parties that may cause them to take actions adverse to the Fund, a Portfolio Fund or a portfolio company. A financial intermediary may directly or indirectly provide services to, or serve in other roles for compensation for, the Fund, a Portfolio Fund or a portfolio company. These services and roles may include (either currently or in the future) managing trustee, managing member, general partner, investment manager or advisor, investment sub-advisor, distributor, broker, dealer, selling agent and investor servicer, custodian, transfer agent, fund administrator, prime broker, recordkeeper, shareholder servicer, interfund lending servicer, Fund accountant, transaction (*e.g.*, a swap) counterparty and/or lender.

In addition, issuers of securities held by the Fund or a Portfolio Fund may have publicly or privately traded securities in which a financial intermediary is an investor or makes a market. The trading activities of financial intermediaries generally will be carried out without reference to positions held by the Fund or a Portfolio Fund and may have an effect on the value of the positions so held, or may result in a financial intermediary having an interest in the issuer adverse to the Fund or the Portfolio Fund. No financial intermediary is prohibited from purchasing or selling the securities of, otherwise investing in or financing, issuers in which the Fund or a Portfolio Fund has an interest.

A financial intermediary may sponsor, organize, promote or otherwise become involved with other opportunities to invest directly or indirectly in the Fund or a Portfolio Fund. Such opportunities may be subject to different terms than those applicable to an investment in the Fund or the Portfolio Fund, including with respect to fees and the right to receive information.

The Adviser and/or its affiliates may advise funds that may invest in other funds advised by a Portfolio Fund Manager, or which has other relationships with a Portfolio Fund Manager.

Set out below are practices that the Adviser may follow. Although the Adviser anticipates that the Investment Managers will follow practices similar to those described below, no guarantee or assurances can be made that similar practices will be followed or that an Investment Manager will abide by, and comply with, its stated practices. An Investment Manager may provide investment advisory and other services, directly or through affiliates, to various entities and accounts other than the Portfolio Funds.

## Participation in Investment Opportunities

Directors, principals, officers, employees and affiliates of the Adviser may buy and sell securities or other investments for their own accounts and may have actual or potential conflicts of interest with respect to investments made on behalf of the Fund or a Portfolio Fund in which the Fund invests. As a result of differing trading and investment strategies or constraints, positions may be taken by directors, principals, officers, employees and affiliates of the Adviser, or by the Adviser for the Other Accounts, or any of their respective affiliates on behalf of their own other accounts (“Investment Manager Accounts”) that are the same as, different from or made at a different time than, positions taken for the Fund or a Portfolio Fund.

## Other Matters

An Investment Manager may, from time to time, cause a Portfolio Fund to effect certain principal transactions in securities with one or more Investment Manager Accounts, subject to certain conditions. Future investment activities of the Investment Managers, or their affiliates, and the principals, partners, directors, officers or employees of the foregoing, may give rise to additional conflicts of interest.

The Adviser and its affiliates will not purchase securities or other property from, or sell securities or other property to the Fund, except that the Fund may in accordance with rules under the 1940 Act engage in transactions with accounts that are affiliated with the Fund as a result of common officers, directors, advisers, members or managing general partners. These transactions would be effected in circumstances in which the Adviser determined that it would be appropriate for the Fund to purchase and another client to sell, or the Fund to sell and another client to purchase, the same security or instrument on the same day.

Future investment activities of the Adviser and its affiliates and their principals, partners, members, directors, officers or employees may give rise to conflicts of interest other than those described above.

## Portfolio Fund Managers

Because the Fund proposes to allocate assets to Interests in the Portfolio Funds sponsored or managed by the Portfolio Fund Managers, conflicts of interest may arise as a consequence of investment management and other financial advisory services in which a Portfolio Fund Manager and its affiliates are engaged.

A Portfolio Fund Manager’s affiliates will not act as “underwriter” or “principal underwriter” of the Fund’s securities, as those terms are defined in the 1940 Act.

Subject to certain conditions and limitations, each of the Portfolio Fund Managers has agreed to provide the Adviser with certain types of information and access to Interests in Portfolio Funds, pursuant to agreements, to help enable the Adviser to invest the Fund’s assets in accordance with its strategy.

Each of the Portfolio Fund Managers provides investment advisory services to Portfolio Funds in addition to those in which the Fund may invest, and their respective investment professionals may also provide investment and financial services for their proprietary accounts as well. Accordingly, each of the Portfolio Fund Managers may have financial interests that diverge from those of the Portfolio Funds and conflicts of interest may arise in terms of their allocation of investment opportunities as well as their professional time between such managed Portfolio Funds and other clients and personal accounts.

Each of the Portfolio Fund Managers is engaged in a broad spectrum of activities including sponsoring and managing private Portfolio Funds and other activities. Those activities may present conflicts if other Portfolio Funds either compete for the same investment opportunity or pursue investment mandates counter to each other.

## TAX ASPECTS

The following is a summary of certain U.S. federal income tax considerations relevant to the acquisition, holding and disposition of Shares. This discussion offers only a brief outline of the U.S. federal income tax consequences of investing in the Fund and is based upon present provisions of the Internal Revenue Code of 1986, as amended (the “Code”), the regulations promulgated thereunder, and judicial and administrative ruling authorities, all of which are subject to change, which change may be retroactive. The discussion is limited to persons who hold their Shares as capital assets (generally, property held for investment) for U.S. federal income tax purposes. This summary does not address all of the U.S. federal income tax consequences that may be relevant to a particular Shareholder or to Shareholders who may be subject to special treatment under U.S. federal income tax laws, such as U.S. financial institutions, insurance companies, broker-dealers, traders in securities that have made an election for U.S. federal income tax purposes to mark-to-market their securities holdings, tax-exempt organizations, partnerships, Shareholders who are not “United States Persons” (as defined in the Code), Shareholders liable for the alternative minimum tax, persons holding Shares through partnerships or other pass-through entities, or persons that have a functional currency (as defined in Section 985 of the Code) other than the U.S. dollar. No ruling has been or will be obtained from the Internal Revenue Service (“IRS”) regarding any matter relating to the Fund or the Shares. No assurance can be given that the IRS would not assert a position contrary to any of the tax aspects described below.

The discussion set forth herein does not constitute tax advice. Prospective Shareholders and Shareholders are urged to consult their own tax advisors as to the U.S. federal income tax consequences of the acquisition, holding and disposition of Shares of the Fund, as well as the effects of state, local and non-U.S. tax laws.

UNLESS OTHERWISE INDICATED, REFERENCES IN THIS DISCUSSION TO THE FUND'S INVESTMENTS, ACTIVITIES, INCOME, GAIN AND LOSS, INCLUDE THE DIRECT INVESTMENTS, ACTIVITIES, INCOME, GAIN AND LOSS OF THE FUND, AS WELL AS THOSE INDIRECTLY ATTRIBUTABLE TO THE FUND AS A RESULT OF THE FUND'S INVESTMENT IN ANY PORTFOLIO FUND (OR OTHER ENTITY) THAT IS PROPERLY CLASSIFIED AS A PARTNERSHIP OR DISREGARDED ENTITY FOR U.S. FEDERAL INCOME TAX PURPOSES (AND NOT AN ASSOCIATION OR PUBLICLY TRADED PARTNERSHIP TAXABLE AS A CORPORATION).

#### **Qualification as a Regulated Investment Company; Tax Treatment**

The Fund intends to elect to be treated, and to qualify annually, as a regulated investment company ("RIC") under the Code. If the Fund so qualifies and distributes (or is deemed to have distributed) each taxable year to Shareholders dividends for U.S. federal income tax purposes of an amount at least equal to the sum of 90% of its investment company taxable income (which includes, among other items, dividends, interest and net short-term capital gains in excess of net long-term capital losses, but determined without regard to the deduction for dividends paid) plus 90% of any net tax-exempt income for the Fund's taxable year, the Fund will not be subject to U.S. federal corporate income taxes on any amounts it distributes as dividends for U.S. federal income tax purposes, including distributions (if any) derived from the Fund's net capital gain (i.e., the excess of the net long-term capital gains over net short-term capital losses) to Shareholders. The Fund intends to distribute to its Shareholders, at least annually, substantially all of its investment company taxable income, net tax-exempt income, and net capital gains.

In addition, amounts not distributed on a timely basis in accordance with a separate calendar year distribution requirement are subject to a nondeductible 4% excise tax. To prevent imposition of the excise tax, the Fund generally must be considered to have distributed dividends for U.S. federal income tax purposes in respect of each calendar year in an amount at least equal to the sum of (1) 98% of its ordinary income (not taking into account any capital gains or losses), determined on a calendar year basis, (2) 98.2% of its capital gain net income, determined under prescribed rules for this purpose (which is generally determined on the basis of the one-year period ending on October 31st of such calendar year, and adjusted for certain ordinary losses), and (3) any ordinary income and capital gain net income from previous years that was not distributed during those years and on which the Fund incurred no U.S. federal income tax. For U.S. federal income tax purposes, dividends declared by the Fund in October, November or December to shareholders of record on a specified date in such a month and paid during January of the following calendar year are taxable to such shareholders, and deductible by the Fund, as if paid on December 31 of the calendar year declared. The Fund generally intends to make distributions sufficient to avoid imposition of the excise tax, although there can be no assurance that it will be able to do so.

In order to qualify as a RIC, the Fund must, among other things: (a) derive in each taxable year (the "gross income test") at least 90% of its gross income from (i) dividends, interest, payments with respect to certain securities loans, and gains from the sale or other disposition of stocks, securities or foreign currencies, or other income (including but not limited to gains from options, futures or forward contracts) derived with respect to its business of investing in such stocks, securities or currencies, and (ii) net income from interests in "qualified publicly traded partnerships" (as defined in the Code) (all such income items, "qualifying gross income"); and (b) diversify its holdings (the "asset diversification test") so that, at the end of each quarter of the taxable year, (i) at least 50% of the value of the Fund's total assets is represented by cash and cash items (including receivables), U.S. Government securities, the securities of other RICs and other securities, with such other securities of any one issuer limited for the purposes of this calculation to an amount not greater than 5% of the value of the Fund's total assets and not greater than 10% of the outstanding voting securities of such issuer, and (ii) not more than 25% of the value of its total assets is invested in the securities (other than U.S. Government securities or the securities of other RICs) of a single issuer, two or more issuers that the Fund controls and that are engaged in the same, similar or related trades or businesses or one or more "qualified publicly traded partnerships" (as defined in the Code).

For the purpose of determining whether the Fund satisfies the gross income test, the character of the Fund's distributive share of items of income, gain and loss derived through any Portfolio Funds that are properly treated as partnerships for U.S. federal income tax purposes (other than certain publicly traded partnerships) generally will be determined as if the Fund realized such tax items in the same manner as realized by those Portfolio Funds. Similarly, for the purpose of the asset diversification test, the Fund, in appropriate circumstances, will "look through" to the assets held by the Fund and such Portfolio Funds.

A RIC that fails the gross income test for a taxable year shall nevertheless be considered to have satisfied the test for such taxable year if (i) the RIC satisfies certain procedural requirements, and (ii) the RIC's failure to satisfy the gross income test is due to reasonable cause and not due to willful neglect. However, in such case, for the taxable year in which the RIC would have failed the gross income test absent the application of the above cure provision, a tax would be imposed on the RIC equal to the amount by which the RIC's non-qualifying gross income exceeds one-ninth of the RIC's qualifying gross income, each as determined for purposes of applying the gross income test for such taxable year.

Additionally, a RIC that fails the asset diversification test as of the end of a quarter of a taxable year shall nevertheless be considered to have satisfied the test as of the end of such quarter in the following circumstances. If the RIC's failure to satisfy the asset diversification test at the end of the quarter is due to the ownership of assets the total value of which does not exceed the lesser of (i) one percent of the total value of the RIC's assets at the end of such quarter and (ii) \$10,000,000 (a "*de minimis* failure"), the RIC shall be considered to have satisfied the asset diversification test as of the end of such quarter if, within six months of the last day of the quarter in which the RIC identifies that it failed the asset diversification test (or such other prescribed time period), the RIC either disposes of assets in order to satisfy the asset diversification test, or otherwise satisfies the asset diversification test.

In the case of a failure to satisfy the asset diversification test at the end of a quarter of a taxable year under circumstances that do not constitute a *de minimis* failure, a RIC shall nevertheless be considered to have satisfied the asset diversification test as of the end of such quarter if (i) the RIC satisfies certain procedural requirements; (ii) the RIC's failure to satisfy the asset diversification test is due to reasonable cause and not due to willful neglect; and (iii) within six months of the last day of the quarter in which the RIC identifies that it failed the asset diversification test (or such other prescribed time period), the RIC either disposes of the assets that caused the asset diversification failure in order to satisfy the asset diversification test, or otherwise satisfies the asset diversification test. However, in such case, a tax is imposed on the RIC, at the highest stated corporate income tax rate, on the net income generated by the assets that caused the RIC to fail the asset diversification test during the period for which the asset diversification test was not met. In all events, however, such tax will not be less than \$50,000.

If the Fund does not qualify as a RIC, it will be treated for tax purposes as an ordinary corporation. In that case, all of its taxable income would be subject to U.S. federal income tax at regular corporate rates without any deduction for distributions made to Shareholders, and the Fund generally would not be required to make any distributions unless certain other restrictions were to apply to require distributions. In addition, all distributions (including distributions of net capital gain) made to Shareholders generally would be characterized as dividend income to the extent of the Fund's current and accumulated earnings and profits.

The Fund intends to operate so as to be eligible to be treated as a RIC as of February 1, 2025. If the Fund had a net appreciation in its portfolio at the time of its conversion to a RIC, the amount of such net appreciation attributable to the Fund's direct or indirect corporate partners at that time is generally expected to be taxable to the Fund if the net appreciation is recognized within five (5) years, even if the amount of such gain is distributed to shareholders. However, the consequences described in the previous sentence will not be applicable if a "deemed sale" election is made with respect to the Fund's conversion to a RIC. If this election is made, the Fund would be treated as having sold its assets before its conversion to a RIC, and any net recognized gain on the deemed sale would be allocated to the direct or indirect corporate partners of the Fund.

## **Distributions**

The Fund intends to make distributions necessary to maintain its ability to be subject to tax as a regulated investment company under the Code and to avoid the imposition of corporate-level federal income tax. As such, the Fund intends to declare and pay distributions from its net investment income and distribute net realized capital gains, if any, at least annually, and in a manner consistent with the provisions of the Code and the 1940 Act. After the end of each calendar year, Shareholders will be provided information regarding the amount and character of distributions actually and deemed received from the Fund during the calendar year. Shareholders normally will be subject to U.S. federal income taxes, and any state and/or local income taxes, on any dividends or other distributions that they receive from the Fund.

Distributions from net investment income and net short-term capital gain generally will be characterized as ordinary income (which generally cannot be offset with capital losses from other sources), and, to the extent attributable to dividends from U.S. corporations, may be eligible for a dividends-received deduction for Shareholders that are corporations, provided the Shareholder satisfies the applicable holding period and other requirements. Further, to the extent the dividends are attributable to dividends from U.S. corporations and certain foreign corporations, such dividends may, in certain cases, be eligible for treatment as "qualified dividend income," which is generally subject to tax at rates equivalent to long-term capital gain tax rates, by Shareholders that are individuals, provided the Shareholder satisfies the applicable holding period and other requirements. Distributions from net capital gain (typically referred to as a "capital gain dividend") will be characterized as long-term capital gain, regardless of how long Shares have been held by the Shareholder, and will not be eligible for the dividends-received deduction or treatment as "qualified dividend income." However, if the Shareholder received any long-term capital gain distributions in respect of any repurchased Shares (including, for this purpose, amounts credited as undistributed capital gains in respect of those Shares) and held the repurchased Shares for six months or less, any loss realized by the Shareholder upon the repurchase will be treated as long-term capital loss to the extent that it offsets the long-term capital gain distributions. Distributions by the Fund that are or are considered to be in excess of the Fund's current and accumulated earnings and profits for the relevant period will be treated as a tax-free return of capital to the extent of (and in reduction of) a Shareholder's tax basis in its Shares and any such amount in excess of such tax basis will be treated as gain from the sale of Shares, as discussed below. Similarly, as discussed below at "Income from Repurchases of Shares," if a repurchase or transfer of a Shareholder's Shares does not qualify for sale or exchange treatment, the Shareholder may, in connection with such repurchase or transfer, be treated as having received, in whole or in part, a taxable dividend, a tax-free return of capital or taxable capital gain, depending on (i) whether the Fund has sufficient earnings and profits to support a dividend and (ii) the Shareholder's tax basis in the relevant Shares repurchased or transferred. In such case, the tax basis in the Shares repurchased or transferred by the Fund, to the extent remaining after any dividend and return of capital distribution with respect to those Shares, will be added to the tax basis of any remaining Shares held by the Shareholder.

Certain distributions reported by the Fund as Section 163(j) interest dividends may be treated as interest income by Shareholders for purposes of the tax rules applicable to interest expense limitations under Section 163(j). Such treatment by the Shareholder is generally subject to holding period requirements and other potential limitations. The amount that the Fund is eligible to report as a Section 163(j) dividend for a tax year is generally limited to the excess of the Fund's business interest income over the sum of the Fund's (i) business interest expense and (ii) other deductions properly allocable to the Fund's business interest income.



The tax treatment of the Fund's distributions from net investment income and capital gains generally will be the same whether the Shareholder takes such distributions in cash or reinvests them to buy additional Shares.

The Fund may elect to retain its net capital gain or a portion thereof for investment and be subject to tax at corporate rates on the amount retained. In such case, the Fund may report the retained amount as undistributed capital gains to its Shareholders, which will be treated as if each Shareholder received a distribution of his or her pro rata share of such gain, with the result that each Shareholder will (i) be required to report his or her pro rata share of such gain on his or her tax return as long-term capital gain, (ii) receive a refundable tax credit for his or her pro rata share of tax paid by the Fund on the gain, and (iii) increase the tax basis for his or her Shares by an amount equal to the deemed distribution less the tax credit.

An additional 3.8% Medicare tax will be imposed in respect of the net investment income of certain individuals and on the undistributed net investment income of certain estates and trusts to the extent such person's "modified adjusted gross income" (in the case of an individual) or "adjusted gross income" (in the case of an estate or trust) exceeds certain threshold amounts. For these purposes, "net investment income" will generally include, among other things, dividends (including dividends paid with respect to the Shares to the extent paid out of the Fund's current or accumulated earnings and profits as determined under U.S. federal income tax principles) and net gain attributable to the disposition of property not held in a trade or business (which could include net gain from the sale, exchange or other taxable disposition of Shares), but will be reduced by any deductions properly allocable to such income or net gain.

Shareholders are advised to consult their own tax advisors regarding the additional taxation of net investment income.

### **Income from Repurchases and Transfers of Shares**

A repurchase or transfer of Shares by the Fund generally will be treated as a taxable transaction for U.S. federal income tax purposes, either as a "sale or exchange," or, under certain circumstances, as a "dividend." In general, the transaction should be treated as a sale or exchange of the Shares if the receipt of cash results in a meaningful reduction in the Shareholder's proportionate interest in the Fund or results in a "complete redemption" of the Shareholder's Shares, in each case applying certain constructive ownership rules in the Code. Alternatively, if a Shareholder does not tender all of his or her Shares, such repurchase or transfer may not be treated as a sale or exchange for U.S. federal income tax purposes, and the gross amount of such repurchase or transfer may constitute a dividend to the Shareholder to the extent of such Shareholder's *pro rata* share of the Fund's current and accumulated earnings and profits. In such a case, there is a risk that non-tendering Shareholders, and Shareholders who tender some but not all of their shares or fewer than all of whose shares are repurchased, in each case whose percentage interests in the Fund increase as a result of such tender, will be treated as having received a dividend from the Fund. The extent of such risk will vary depending upon the particular circumstances of the tender offer, and in particular whether such offer is a single and isolated event or is part of a plan for periodically redeeming shares of the Fund.

If the repurchase or transfer of a Shareholder's Shares qualifies for sale or exchange treatment, the Shareholder will recognize gain or loss equal to the difference between the amount received in exchange for the repurchased or transferred Shares and the adjusted tax basis of those Shares. Such gain or loss will be capital gain or loss if the repurchased or transferred Shares were held by the Shareholder as capital assets, and generally will be treated as long-term capital gain or loss if the repurchased or transferred Shares were held by the Shareholder for more than one year, or as short-term capital gain or loss if the repurchased or transferred Shares were held by the Shareholder for one year or less.

Notwithstanding the foregoing, any capital loss realized by a Shareholder will be disallowed to the extent the Shares repurchased or transferred by the Fund are replaced (including through reinvestment of dividends) either with Shares or substantially identical securities within a period of 61 days beginning 30 days before and ending 30 days after the repurchase of the Shares. If disallowed, the loss will be reflected as an upward adjustment to the basis of the Shares acquired. The deductibility of capital losses may be subject to statutory limitations.

If the repurchase or transfer of a Shareholder's Shares does not qualify for sale or exchange treatment, the Shareholder may be treated as having received, in whole or in part, a taxable dividend, a tax-free return of capital or taxable capital gain, depending on (i) whether the Fund has sufficient earnings and profits to support a dividend and (ii) the Shareholder's tax basis in the relevant Shares. The tax basis in the Shares repurchased or transferred by the Fund, to the extent remaining after any dividend and return of capital distribution with respect to those Shares, will be added to the tax basis of any remaining Shares held by the Shareholder.

The Fund generally will be required to report to the IRS and each Shareholder the cost basis and holding period for each respective Shareholder's Shares repurchased or transferred by the Fund. The Fund has elected the average cost method as the default cost basis method for purposes of this requirement. If a Shareholder wishes to accept the average cost method as its default cost basis calculation method in respect of Shares in its account, the Shareholder does not need to take any additional action. If, however, a Shareholder wishes to affirmatively elect an alternative cost basis calculation method in respect of its Shares, the Shareholder must contact the Fund's administrator to obtain and complete a cost basis election form. The cost basis method applicable to a particular Share repurchase may not be changed after the valuation date established by the Fund in respect of that repurchase. Shareholders should consult their tax advisors regarding their cost basis reporting options and to obtain more information about how the cost basis reporting rules apply to them.

A sale of Shares, other than in the context of a repurchase or transfer of Shares by the Fund, generally will have the same tax consequences as described above in respect of a Share repurchase or transfer that qualifies for “sale or exchange” treatment.

If a Shareholder recognizes a loss with respect to Shares in excess of certain prescribed thresholds (generally, \$2 million or more for an individual Shareholder or \$10 million or more for a corporate Shareholder that is not an S corporation), the Shareholder must file with the IRS a disclosure statement on an IRS Form 8886. Direct owners of portfolio securities are in many cases excepted from this reporting requirement, but, under current guidance, equity owners of RICs are not excepted. The fact that a loss is reportable as just described does not affect the legal determination of whether the taxpayer’s treatment of the loss is proper. Shareholders should consult their tax advisors to determine the applicability of this reporting requirement in light of their particular circumstances.

## **Other Considerations**

There is a possibility that the Fund may from time to time be considered under the Code to be a nonpublicly offered regulated investment company. Certain expenses of nonpublicly offered regulated investment companies, including the Management Fee, may not be deductible by certain Shareholders, generally including individuals and entities that compute their taxable income in the same manner as individuals (thus, for example, a qualified pension plan would not be subject to this rule). Such a Shareholder’s *pro rata* portion of the affected expenses will be treated as an additional dividend to the Shareholder and, for taxable years beginning prior to January 1, 2026, will generally not be deductible by the Shareholder. For taxable years beginning in 2026 or later, such affected expenses will generally be deductible, subject to the 2% “floor” on miscellaneous itemized deductions and other limitations on itemized deductions set forth in the Code. A “nonpublicly offered regulated investment company” is a RIC whose equity interests are neither (i) continuously offered pursuant to a public offering (within the meaning of section 4 of the Securities Act of 1933), (ii) regularly traded on an established securities market, nor (iii) held by at least 500 persons at all times during the RIC’s taxable year.

## **Fund Investments**

It is intended that the Fund will invest a portion of its assets in Portfolio Funds, some of which may be classified as partnerships for U.S. federal income tax purposes. An entity that is properly classified as a partnership (and not an association or publicly traded partnership taxable as a corporation) generally is not subject to an entity-level U.S. federal income tax. Instead, each partner of the partnership is required to take into account its distributive share of the partnership’s net capital gain or loss, net short-term capital gain or loss, and its other items of ordinary income or loss (including all items of income, gain, loss and deduction allocable to that partnership from investments in other partnerships) for each taxable year of the partnership ending with or within the partner’s taxable year. Each such item will have the same character to a partner, and will generally have the same source (either United States or foreign), as though the partner realized the item directly. Partners of a partnership must report these items regardless of the extent to which, or whether, the partnership or the partners receive cash distributions for such taxable year. Accordingly, the Fund may be required to recognize items of taxable income and gain and to make distributions to Shareholders prior to the time that any corresponding cash distributions are made to or by the Fund and certain Portfolio Funds (including in circumstances where investments by the Portfolio Funds, such as investments in debt instrument with “original issue discount,” generate income prior to a corresponding receipt of cash). In such case, the Fund may have difficulty meeting the annual distribution requirement necessary to qualify for and maintain RIC tax treatment under Subchapter M of the Code. The Fund may have to sell some of its investments at times and/or at prices it would not consider advantageous, raise additional debt or equity capital or forgo new investment opportunities for this purpose. If the Fund is not able to obtain cash from other sources, it may not qualify for or maintain RIC tax treatment and thus may become subject to corporate-level income tax.

Some of the income that the Fund may earn directly or through a Portfolio Fund, such as income recognized from an equity investment in an operating partnership, may not satisfy the gross income test. The Fund may have to dispose of interests in Portfolio Funds that it would otherwise have continued to hold, or devise other methods of cure, to the extent certain Portfolio Funds earn income of a type that is not qualifying gross income for purposes of the gross income test or hold assets that could cause the Fund not to satisfy the RIC asset diversification test. To manage the risk that such income might jeopardize the Fund’s tax status as a RIC resulting from a failure to satisfy the gross income test, one or more subsidiary entities treated as U.S. corporations for U.S. federal income tax purposes may be employed to earn such income and (if applicable) hold the related investment. Such subsidiary entities generally will be required to incur entity-level income taxes on their earnings, which ultimately will reduce the return to Shareholders.

UNLESS OTHERWISE INDICATED, REFERENCES IN THIS DISCUSSION TO THE FUND’S INVESTMENTS, ACTIVITIES, INCOME, GAIN AND LOSS, INCLUDE THE DIRECT INVESTMENTS, ACTIVITIES, INCOME, GAIN AND LOSS OF BOTH THE FUND, AS WELL AS THOSE INDIRECTLY ATTRIBUTABLE TO THE FUND AS A RESULT OF THE FUND’S INVESTMENT IN ANY PORTFOLIO FUND (OR OTHER ENTITY) THAT IS PROPERLY CLASSIFIED AS A PARTNERSHIP OR DISREGARDED ENTITY FOR U.S. FEDERAL INCOME TAX PURPOSES (AND NOT AN ASSOCIATION OR PUBLICLY TRADED PARTNERSHIP TAXABLE AS A CORPORATION).

Ordinarily, gains and losses realized from portfolio transactions will be characterized as capital gains and losses. However, because the functional currency of the Fund for U.S. federal income tax purposes is the U.S. dollar, a portion of the gain or loss realized from the disposition of foreign currencies (including foreign currency denominated bank deposits) and non-U.S. dollar denominated securities (including debt instruments, certain futures or forward contracts and options, and similar financial instruments) is generally characterized as ordinary income or loss in accordance with Section 988 of the Code. Section 988 of the Code similarly provides that gains or losses attributable to fluctuations in exchange rates that occur between the time the Fund accrues interest or other receivables or accrues expenses or other liabilities denominated in a foreign currency and the time such receivables are collected or the time that the liabilities are paid would be generally characterized as ordinary income or loss. In addition, all or a portion of any gains realized from the sale or other disposition of certain market discount bonds will be characterized as ordinary income. Finally, all or a portion of any gain realized from engaging in “conversion transactions” (as defined in the Code to generally include certain transactions designed to convert ordinary income into capital gain) may be characterized as ordinary income.

A RIC is limited in its ability to deduct expenses in excess of its investment company taxable income. If the Fund's deductible expenses in a given taxable year exceed the Fund's investment company taxable income, the Fund may incur a net operating loss for that taxable year. However, a RIC is not permitted to carry forward net operating losses to subsequent taxable years and such net operating losses do not pass through to its shareholders. In addition, deductible expenses can be used only to offset investment company taxable income, not net capital gain. A RIC may not use any net capital losses (that is, the excess of realized capital losses over realized capital gains) to offset its investment company taxable income, but may carry forward such net capital losses, and use them to offset future capital gains, indefinitely. In the event that the Fund were to experience an ownership change as defined under the Code, the capital loss carryforwards and other favorable tax attributes of the Fund, if any, may be subject to limitation.

### **Hedging and Derivative Transactions**

Gain or loss, if any, realized from certain financial futures or forward contracts and options transactions ("Section 1256 Contracts") generally is treated as 60% long-term capital gain or loss and 40% short-term capital gain or loss. Gain or loss will arise upon exercise or lapse of Section 1256 Contracts. In addition, any Section 1256 Contracts remaining unexercised at the end of the Fund's taxable year are treated as sold for their then fair market value, resulting in the recognition of gain or loss characterized in the manner described above.

The Fund may acquire certain foreign currency forward contracts, enter into certain foreign currency futures contracts, acquire put and call options on foreign currencies, or acquire or enter into similar foreign currency-related financial instruments. Generally, foreign currency regulated futures contracts and option contracts that qualify as Section 1256 Contracts will not be subject to ordinary income or loss treatment under Section 988 of the Code. However, if the Fund acquires or enters into any foreign currency futures contracts or options contracts that are not Section 1256 Contracts, or any foreign currency forward contracts or similar foreign currency-related financial instruments, any gain or loss realized by the Fund with respect to such contract or financial instruments generally will be characterized as ordinary gain or loss unless the contract or financial instrument in question is a capital asset in the hands of the Fund and is not part of a straddle transaction (as described below), and an election is made by the Fund (before the close of the day the transaction is entered into) to characterize the gain or loss attributable to such contract or financial instrument as capital gain or loss.

Offsetting positions held by the Fund, or the Portfolio Funds, involving certain financial futures or forward contracts or options transactions with respect to actively traded personal property may be considered, for tax purposes, to constitute "straddles." In addition, investments by the Fund in particular combinations of Portfolio Funds may also be treated as a "straddle." To the extent the straddle rules apply to positions established by the Fund, or the Portfolio Funds, losses realized by the Fund may be deferred to the extent of unrealized gain in the offsetting positions. Further, short-term capital loss on straddle positions may be recharacterized as long-term capital loss, and long-term capital gains on straddle positions may be treated as short-term capital gains or ordinary income. Certain of the straddle positions held by the Fund, or the Portfolio Funds, may constitute "mixed straddles." One or more elections may be made in respect of the U.S. federal income tax treatment of "mixed straddles," resulting in different tax consequences. In certain circumstances, the provisions governing the tax treatment of straddles override or modify certain of the provisions discussed above.

If the Fund, or possibly a Portfolio Fund, either (1) holds an appreciated financial position with respect to stock, certain debt obligations or partnership interests ("appreciated financial position"), and then enters into a short sale, futures, forward, or offsetting notional principal contract (collectively, a "Contract") with respect to the same or substantially identical property, or (2) holds an appreciated financial position that is a Contract and then acquires property that is the same as, or substantially identical to, the underlying property, the Fund generally will be taxed as if the appreciated financial position were sold at its fair market value on the date the Fund, or such Portfolio Fund, enters into the Contract or acquires the underlying property, respectively. The foregoing will not apply, however, to any transaction during any taxable year that otherwise would be treated as a constructive sale if the transaction is closed within 30 days after the end of that year and the appreciated financial position is held unhedged for 60 days after that closing (i.e., at no time during that 60-day period is the risk of loss relating to the appreciated financial position reduced by reason of certain specified transactions with respect to substantially identical or related property, such as by reason of an option to sell, being contractually obligated to sell, making a short sale, or granting an option to buy substantially identical stock or securities).

If the Fund, or possibly a Portfolio Fund, enters into certain derivatives (including forward contracts, long positions under notional principal contracts, and related puts and calls) with respect to equity interests in certain pass-through entities (including other RICs, real estate investment trusts, partnerships, real estate mortgage investment conduits and certain trusts and foreign corporations), long-term capital gain with respect to the derivative may be recharacterized as ordinary income to the extent it exceeds the long-term capital gain that would have been realized had the interest in the pass-through entity been held directly during the term of the derivative contract. Any gain recharacterized as ordinary income will be treated as accruing at a constant rate over the term of the derivative contract and may be subject to an interest charge. The U.S. Department of the Treasury (the "Treasury") and the IRS have the authority to issue regulations expanding the application of these rules to derivatives with respect to debt instruments and/or stock in corporations that are not pass-through entities.

## Passive Foreign Investment Companies and Controlled Foreign Corporations

The Fund may indirectly hold equity interests in non-U.S. Portfolio Funds and/or non-U.S. portfolio companies that may be treated as “passive foreign investment companies” (each, a “PFIC”) under the Code. A PFIC is generally defined as a non-U.S. entity which is classified as a corporation for U.S. federal income tax purposes, and which earns at least 75% of its annual gross income from passive sources (such as interest, dividends, rents, royalties or capital gain) or which holds at least 50% of its total assets in assets producing such passive income. The Fund may be subject to U.S. federal income tax, at ordinary income rates, on a portion of any “excess distribution” or gain from the disposition of such interests even if such income is distributed as a taxable dividend by the Fund to its Shareholders. Additional charges in the nature of interest may be imposed on the Fund in respect of deferred taxes arising from such distributions or gains. If an election is made to treat the PFIC as a “qualified electing fund” under the Code (a “QEF”), then the Fund would be required, in lieu of the foregoing requirements, to include in its income each taxable year a portion of the QEF’s ordinary earnings and net capital gain (at ordinary income and capital gains rates, respectively), even if not distributed to the Fund. If the QEF incurs losses for a taxable year, these losses will not pass through to the Fund and, accordingly, cannot offset other income and/or gains of the Fund. The QEF election may not be available to the Fund with respect to many PFICs because of certain requirements that the PFICs themselves would have to satisfy. Alternatively, in certain cases, an election can be made to mark-to-market the shares of a PFIC held by the Fund at the end of the Fund’s taxable year (as well as on certain other dates prescribed in the Code). In this case, the Fund would recognize as ordinary income its share of any increase in the value of such PFIC shares, and as ordinary loss its share of any decrease in such value, to the extent such loss did not exceed its share of prior increases in income derived from such PFIC shares. Under either election, the Fund might be required to recognize income in excess of its distributions from PFICs and its proceeds from dispositions of PFIC stock during the applicable taxable year and such income would nevertheless be subject to the distribution requirement and would be taken into account under prescribed timing rules for purposes of the 4% excise tax (described above). Dividends paid by PFICs will not be treated as “qualified dividend income.” In certain cases, the Fund will not be the party legally permitted to make the QEF election or the mark-to-market election in respect of indirectly held PFICs and, in such cases, will not have control over whether the party within the chain of ownership that is legally permitted to make the QEF or mark-to-market election will do so.

If the Fund holds (directly, indirectly or by attribution) 10% or more (by vote or value) of the interests treated as equity for U.S. federal income tax purposes in a foreign entity classified as a corporation for U.S. federal income tax purposes and considered a controlled foreign corporation (“CFC”) under the Code, the Fund may be treated as receiving a deemed distribution (*i.e.*, characterized as ordinary income) each taxable year from such foreign corporation in an amount equal to its *pro rata* share of such entity’s income for such taxable year (including both ordinary earnings and capital gains), whether or not the entity makes an actual distribution during such taxable year. The Fund would be required to include the amount of a deemed distribution from a CFC when computing its investment company taxable income as well as in determining whether the Fund satisfies the distribution requirements applicable to RICs, even to the extent the amount of the Fund’s income deemed recognized from the CFC exceeds the amount of any actual distributions from the CFC and the proceeds from any sales or other dispositions of CFC stock during the Fund’s taxable year. In general, a foreign entity classified as a corporation for U.S. federal income tax purposes will be considered a CFC if greater than 50% of the shares of the corporation, measured by reference to combined voting power or value, is owned (directly, indirectly or by attribution) by U.S. Shareholders. A “U.S. Shareholder,” for this purpose, is any U.S. person that possesses (directly, indirectly or by attribution) 10% or more of the combined value or voting power of all classes of shares of a foreign entity classified as a corporation for U.S. federal income tax purposes.

Under Treasury regulations, income derived by the Fund from a CFC or a PFIC with respect to which the Fund has made a QEF election would generally constitute qualifying income for purposes of determining the Fund’s ability to be subject to tax as a RIC only to the extent the CFC or the PFIC makes current distributions of that income to the Fund or if the income is derived with respect to the Fund’s business of investing in stocks or securities.

## State and Local Taxes

In addition to the U.S. federal income tax consequences summarized above, Shareholders and prospective Shareholders should consider the potential state and local tax consequences associated with an investment in the Fund. The Fund may become subject to income and other taxes in states and localities based on the Fund’s investments in entities that conduct business in those jurisdictions. Shareholders will generally be taxable in their state of residence with respect to their income or gains earned and distributed by the Fund as dividends for U.S. federal income tax purposes, or the amount of their investment in the Fund.

## Foreign Taxes

The Fund's investment in non-U.S. stocks or securities may be subject to withholding and other taxes imposed by countries outside the United States. In that case, the Fund's yield on those stocks or securities would be decreased. Tax conventions between certain countries and the United States may reduce or eliminate such taxes. If more than 50% of the Fund's assets at year-end consists of the stock or securities of foreign corporations, the Fund may elect to permit its Shareholders to claim a credit or deduction on their income tax returns for their *pro rata* portion of qualified taxes paid or deemed paid by the Fund to foreign countries in respect of foreign stock or securities the Fund has held for at least the minimum period specified in the Code. In such a case, Shareholders of the Fund will include in gross income from foreign sources their *pro rata* shares of such taxes. The Fund does not expect to meet the requirements to make the election described above in respect of the treatment of foreign taxes.

## Information Reporting and Backup Withholding

Information returns will generally be filed with the IRS in connection with distributions made by the Fund to Shareholders unless Shareholders establish they are exempt from such information reporting (e.g., by properly establishing that they are classified as corporations for U.S. federal tax purposes). Additionally, the Fund may be required to withhold, for U.S. federal income taxes, a portion of all taxable dividends and repurchase proceeds payable to Shareholders who fail to provide the Fund with their correct taxpayer identification numbers ("TINs"), generally on an IRS Form W-9, or who otherwise fail to make required certifications, or if the Fund or the Shareholder has been notified by the IRS that such Shareholder is subject to backup withholding. Certain Shareholders specified in the Code and the Treasury regulations promulgated thereunder are exempt from backup withholding, but may be required to demonstrate their exempt status. Backup withholding is not an additional tax. Any amounts withheld will be allowed as a refund or a credit against the Shareholder's U.S. federal income tax liability if the appropriate information is provided to the IRS.

## U.S. Federally Tax-Exempt Shareholders

Under current law, the Fund serves to "block" (that is, prevent the attribution to Shareholders of) unrelated business taxable income ("UBTI") from being realized by its U.S. federally tax-exempt Shareholders (including, among others, individual retirement accounts ("IRAs"), 401(k) accounts, Keogh plans, pension plans and certain charitable entities). Notwithstanding the foregoing, a U.S. federally tax-exempt Shareholder could realize UBTI by virtue of its investment in Shares of the Fund if the U.S., federally tax-exempt Shareholder has engaged in a borrowing or other similar transaction to acquire its Shares. A U.S. federally tax-exempt Shareholder may also recognize UBTI if the Fund were to recognize "excess inclusion income" derived from direct or indirect investments in residual interests in real estate mortgage investment conduits or taxable mortgage pools. If a charitable remainder annuity trust or a charitable remainder unitrust (each as defined in Section 664 of the Code) has UBTI for a taxable year, a 100% excise tax on the UBTI is imposed on the trust.

The foregoing discussion does not address all of the U.S. federal income tax consequences that may be applicable to a tax-exempt Shareholder as a result of an investment in the Fund. For example, certain tax-exempt private universities should be aware that they are subject to a 1.4% excise tax on their "net investment income" that is not otherwise taxed as UBTI, including income from interest, dividends, and capital gains. Tax-exempt investors should consult with their tax advisors regarding an investment in the Fund.

## Foreign Shareholders

U.S. taxation of a Shareholder who, as to the United States, is a nonresident alien individual, a foreign trust or estate, or a foreign corporation (each, a "Foreign Shareholder") as defined in the Code, depends on whether the income derived by the Foreign Shareholder from the Fund is "effectively connected" with a U.S. trade or business carried on by the Foreign Shareholder. The Fund is a corporation for U.S. federal income tax purposes. Under current law, a Foreign Shareholder should not be considered to be engaged in the conduct of a business in the United States solely by reason of its investment in the Fund.

*Income Not Effectively Connected.* If the income from the Fund is not "effectively connected" with a U.S. trade or business carried on by the Foreign Shareholder, distributions of investment company taxable income will generally be subject to a U.S. tax of 30% (or lower treaty rate, except in the case of any "excess inclusion income" allocated to the Foreign Shareholder), which tax is generally withheld from such distributions. Dividend distributions that the Fund properly reports as attributable to certain U.S. source income derived by the Fund generally will, however, be exempt from such withholding tax. Furthermore, capital gain dividends and any amounts retained by the Fund which are properly reported by the Fund as undistributed capital gains generally will not be subject to U.S. tax at the rate of 30% (or lower treaty rate), unless the Foreign Shareholder is a nonresident alien individual and is physically present in the United States for more than 182 days during the taxable year and meets certain other requirements. In order to qualify for any reduction or exemption from U.S. withholding tax, a Foreign Shareholder must comply with applicable certification requirements relating to its non-U.S. status (including, in general, furnishing an IRS Form W-8BEN, IRS Form W-8BEN-E, IRS Form W-8ECI, IRS Form W-8IMY or IRS Form W-8EXP, or an acceptable substitute or successor form). However, this 30% tax on capital gains of nonresident alien individuals who are physically present in the United States for more than the 182 day period only applies in exceptional cases because any individual present in the United States for more than 182 days during the taxable year is generally treated as a resident for U.S. income tax purposes; in that case, he or she would be subject to U.S. income tax on his or her worldwide income at the graduated rates applicable to U.S. citizens, rather than the 30% tax.

Any capital gain that a Foreign Shareholder realizes upon a repurchase of Shares or otherwise upon a sale or exchange of Shares will ordinarily be exempt from U.S. tax unless, in the case of a Foreign Shareholder that is a nonresident alien individual, the gain is U.S. source income and such Foreign Shareholder is physically present in the United States for more than 182 days during the taxable year and meets certain other requirements.

*Income Effectively Connected.* If the income from the Fund is “effectively connected” with a U.S. trade or business carried on by a Foreign Shareholder, then distributions of investment company taxable income and capital gain dividends, any amounts retained by the Fund which are reported by the Fund as undistributed capital gains, and any gains realized upon a repurchase of Shares of the Fund will be subject to U.S. income tax at the graduated rates applicable to U.S. citizens, residents and domestic corporations. Corporate Foreign Shareholders may also be subject to the branch profits tax imposed by the Code.

In the case of a Foreign Shareholder, the Fund may be required to withhold U.S. federal income tax from distributions and repurchase proceeds that are otherwise exempt from withholding tax (or taxable at a reduced treaty rate), unless the Foreign Shareholder certifies his foreign status under penalties of perjury or otherwise establishes an exemption in the manner discussed above.

The tax consequences to a Foreign Shareholder entitled to claim the benefits of an applicable tax treaty may differ from those described herein. Foreign Shareholders are advised to consult their own tax advisors with respect to the particular tax consequences to them of an investment in the Fund.

### **Foreign Account Tax Compliance Act**

The Fund is required under the Foreign Account Tax Compliance Act (“FATCA”) provisions of the Code to withhold U.S. tax (at a 30% rate) on payments of dividends made to certain non-U.S. entities (including financial intermediaries) that fail to comply (or are not deemed compliant) with extensive reporting and withholding requirements designed to inform the Treasury of U.S.-owned foreign investment accounts unless various U.S. information reporting and diligence requirements (that are in addition to and significantly more onerous than, the requirement to deliver an applicable U.S. nonresident withholding tax certification form (e.g., IRS Form W-8BEN)) and certain other requirements have been satisfied. The information required to be reported includes the identity and taxpayer identification number of each account holder and transaction activity within the holder’s account. Persons located in jurisdictions that have entered into an intergovernmental agreement with the U.S. to implement FATCA may be subject to different rules.

Shareholders may be requested to provide additional information to the Fund to enable the Fund to determine whether withholding is required.

### **Other Taxation**

The foregoing represents a summary of the general tax rules and considerations affecting Shareholders and the Fund’s operations, and neither purports to be a complete analysis of all relevant tax rules and considerations, nor does it purport to be a complete listing of all potential tax risks inherent in making an investment in the Fund. A Shareholder may be subject to other taxes, including but not limited to, other state, local, and foreign taxes, estate and inheritance taxes, or intangible property taxes, that may be imposed by various jurisdictions. The Fund also may be subject to additional state, local, or foreign taxes that could reduce the amounts distributable to Shareholders. It is the responsibility of each Shareholder to file all appropriate tax returns that may be required. Fund Shareholders should consult their own tax advisors regarding the state, local and foreign tax consequences of an investment in Shares and the particular tax consequences to them of an investment in the Fund. In addition to the particular matters set forth in this section, tax-exempt entities should carefully review those sections of this prospectus and its related SAI regarding liquidity and other financial matters to ascertain whether the investment objectives of the Fund are consistent with their overall investment plans.

### **ERISA CONSIDERATIONS**

Persons who are fiduciaries with respect to an employee benefit plan, IRA, Keogh plan, or other plan or arrangement subject to the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), or Section 4975 of the Code, including any entity whose assets are considered “plan assets” (each of the foregoing, a “Plan”) should consider, among other things, the matters described below before determining whether to invest in the Fund. ERISA imposes certain general and specific responsibilities on persons who are fiduciaries with respect to Plans that are subject to ERISA (an “ERISA Plan”), including prudence, diversification, an obligation not to engage in prohibited transactions, and other requirements. In determining whether a particular investment is appropriate for an ERISA Plan, U.S. Department of Labor (the “DOL”) regulations provide that a fiduciary of an ERISA Plan must give appropriate consideration to, among other things, the role that the investment plays in the ERISA Plan’s portfolio, taking into consideration whether the investment is designed reasonably to further the ERISA Plan’s purposes, an examination of the risk and return factors, the portfolio’s composition with regard to diversification, the liquidity and current total return of the portfolio relative to the anticipated cash flow needs of the ERISA Plan, the income tax consequences of the investment (see “Tax Aspects,” above) and the projected return of the Fund relative to the ERISA Plan’s funding objectives.

Investors purchasing Shares through an ERISA Plan may obtain additional information regarding the ERISA Plan from their plan sponsor.

Before investing the assets of an ERISA Plan in the Fund, an ERISA Plan fiduciary should determine whether such an investment is consistent with its fiduciary responsibilities and the foregoing regulations. The fiduciary should, for example, consider whether an investment in the Fund may be too illiquid or too speculative for its ERISA Plan, and whether the assets of the ERISA Plan would be sufficiently diversified if the investment is made. If a fiduciary with respect to any such ERISA Plan breaches his or her responsibilities with regard to selecting an investment or an investment course of action for such ERISA Plan, the fiduciary may be held personally liable for losses incurred by the ERISA Plan as a result of such breach.

Because the Fund is registered as an investment company under the 1940 Act, the Fund will be proceeding on the basis that its underlying assets are not considered to be “plan assets” of the Plans investing in the Fund for purposes of the fiduciary responsibility and prohibited transaction rules of ERISA and the Code. For this reason, the Adviser will therefore not be a fiduciary within the meaning of ERISA with respect to the assets of any ERISA Plan that becomes a Shareholder of the Fund, solely as a result of the ERISA Plan’s investment in the Fund.

Certain prospective Plan investors may currently maintain relationships with the Adviser or one or more Portfolio Fund Managers in which the Fund invests, or with other entities that are affiliated with the Adviser or such Portfolio Fund Managers. Each of such persons may be deemed to be a fiduciary of or other party in interest or disqualified person with respect to any Plan to which it provides investment management, investment advisory or other services. ERISA prohibits and the Code penalizes the use of a Plan’s assets for the benefit of a party in interest or disqualified person, and also prohibits (and penalizes) a Plan fiduciary from using its position to cause such Plan to make an investment from which it or certain third parties in which such fiduciary has an interest would receive a fee or other consideration. Plan Shareholders should consult with legal counsel to determine if participation in the Fund is a transaction that is prohibited by ERISA or the Code.

Employee benefit plans which are not subject to ERISA or the related provisions of the Code may be subject to other rules governing such plans. Fiduciaries of employee benefit plans which are not subject to ERISA, whether or not subject to Section 4975 of the Code, should consult with their own counsel and other advisors regarding such matters.

The provisions of ERISA and the Code are subject to extensive and continuing administrative and judicial interpretation and review. The discussion of ERISA and the Code contained herein is, of necessity, general and may be affected by future publication of regulations and rulings. Potential investors should consult with their legal advisers regarding the consequences under ERISA and the Code of the acquisition and ownership of Shares.

THE FUND’S SALE OF SHARES TO ANY PLAN IS IN NO RESPECT A REPRESENTATION OR WARRANTY BY THE FUND, THE ADVISER OR ANY OF ITS AFFILIATES, OR BY ANY OTHER PERSON ASSOCIATED WITH THE SALE OF THE SHARES, THAT SUCH INVESTMENT BY ANY PLAN MEETS ALL RELEVANT LEGAL REQUIREMENTS APPLICABLE TO PLANS GENERALLY OR TO ANY PARTICULAR PLAN, OR THAT SUCH INVESTMENT IS OTHERWISE APPROPRIATE FOR PLANS GENERALLY OR FOR ANY PARTICULAR PLAN.

#### **ADMINISTRATOR**

The Fund has retained the Administrator, Ultimus Fund Services, LLC (“Ultimus”) whose principal business address is 80 Arkay Drive, Hauppauge, NY 11788, to provide certain administrative and fund accounting services to the Fund. Under the terms of an administration agreement between the Fund and the Administrator (the “Administration Agreement”), the Administrator is responsible, directly or through its agents, for, among other things, certain administration, accounting and investor services for the Fund. The Administrator may retain third-parties, including its affiliates or those of the Adviser, to perform some or all of these services. In consideration for these services, the Fund pays the Administrator a fee based on the average net assets of the Fund (subject to certain minimums), and will reimburse the Administrator for out-of-pocket expenses.

Under the Administration Agreement, the Fund has agreed to indemnify and hold the Administrator harmless from and against any and all losses, damages, costs, charges, reasonable attorney or consultant fees, payments, expenses and liability arising out of or attributable to the Fund’s refusal or failure to comply with the terms of the Administration Agreement, breach of any representation or warranty made by the Fund contained in the Administration Agreement, or which arise out of the Fund’s lack of good faith, gross negligence or willful misconduct with respect to the Fund’s performance under or in connection with the Administration Agreement.

#### **CUSTODIAN AND TRANSFER AGENT**

UMB Bank, N.A. (the “Custodian”) serves as the custodian of the Fund’s assets, and may maintain custody of the Fund’s assets with domestic and foreign subcustodians (which may be banks, trust companies, securities depositories and clearing agencies) approved by the Managers. Assets of the Fund are not held by the Adviser or commingled with the assets of other accounts other than to the extent that securities are held in the name of a custodian in a securities depository, clearing agency or omnibus customer account of such custodian. The Custodian’s principal business address is 928 Grand Boulevard, Kansas City, MO 64106.

Ultimus serves as Transfer Agent with respect to maintaining the registry of the Fund’s Shareholders and processing matters relating to subscriptions for, and repurchases of, Shares. Ultimus’s principal business address is principal business address is 80 Arkay Drive, Hauppauge, NY 11788.

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP serves as the independent registered public accounting firm of the Fund. Its principal business address is 30 Rockefeller Plaza, New York, NY 10012.

## DISTRIBUTOR

iCapital Markets LLC acts as the distributor of the Fund's Shares on a best efforts basis. The Distributor's principal business address is 60 East 42nd Street, New York, New York 10165.

## LEGAL COUNSEL

Dechert LLP, New York, New York, acts as legal counsel to the Fund. Its principal business address is 1095 Avenue of the Americas, New York, NY 10036.

## CONTROL PERSONS AND PRINCIPAL HOLDERS OF SECURITIES

The name, address, and percentage ownership of each entity or person that owned of record or beneficially 5% or more of the outstanding Shares of any share class of the Fund as of July 31, 2025, were as follows:

### Class I

Charles Schwab & Co., Inc. FBO Ashley M. Hennessy Trust II U/A DTD 12/31/2012	7.28%
Charles Schwab & Co., Inc. FBO Christopher M. Hennessy Trust II U/A DTD 12/31/2012	6.74%
Charles Schwab & Co., Inc. FBO Shannon P. Hennessy Trust II U/A DTD 12/31/2012	7.01%
NFS LLC FBO John C. French	5.00%
iDirect Multi-Strategy Access Fund (Canada)	24.42%

### Class A

Pershing LLC FBO Corporacion del Fondo del Seguro del Estado	100.00%
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## REPORTS TO SHAREHOLDERS

The Fund will furnish to its Shareholders as soon as practicable after the end of each taxable year such information as is necessary for such Shareholders to complete Federal and state income tax or information returns, along with any other tax information required by law. The Fund will prepare and transmit to its Shareholders, a semi-annual and an audited annual report within 60 days after the close of the period for which it is being made, or as otherwise required by the 1940 Act. Quarterly reports from the Adviser regarding the Fund's operations during such period also will be sent to the Fund's Shareholders.

## FISCAL YEAR

For accounting purposes, the fiscal year of the Fund is the 12-month period ending on March 31. The 12-month period ending September 30 of each year will be the taxable year of the Fund unless otherwise determined by the Fund.

## FINANCIAL STATEMENTS

The audited financial statements and related report of Deloitte & Touche LLP, independent registered public accounting firm, are herein incorporated by reference from the Fund's [annual report](#) for the fiscal period ended March 31, 2025. The Fund's annual report is available upon request, without charge, by calling the Fund at 833-640-7393.



***iDirect Multi Strategy Fund, LLC***  
***(A Delaware Limited Liability Company)***  
**Financial Statements**

For the period ended May 31, 2025 (Unaudited)

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*iDirect Multi-Strategy Fund, LLC*  
*(A Delaware Limited Liability Company)*  
May 31, 2025

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**iDirect Multi-Strategy Fund, LLC**  
**(A Delaware Limited Liability Company)**  
**PORTFOLIO OF INVESTMENTS (Unaudited)**  
**May 31, 2025**

	Cost	Fair Value	% of Net Assets	Initial Acquisition Date	Liquidity (a)
<b>INVESTMENT FUNDS - 96.15%</b>					
<b>MULTI-STRATEGY - 70.35%</b>					
Atlas Enhanced Fund, L.P.	\$ 19,480,000	\$ 20,584,188	14.20%	7/1/2024	Quarterly
Millennium USA HedgeFocus Fund LP	33,364,000	34,352,354	23.70%	7/1/2024	Quarterly
Point72 Capital, L.P.	23,380,000	25,170,815	17.36%	7/1/2024	Quarterly
Verition Multi-Strategy Fund, LLC	21,365,000	21,880,272	15.09%	7/1/2024	Quarterly
<b>TOTAL MULTI-STRATEGY</b>	<b>97,589,000</b>	<b>101,987,629</b>	<b>70.35%</b>		
<b>EQUITY HEDGE - 10.89%</b>					
WMA Systematic Equity Alpha Long/Short Onshore Fund LP	13,505,000	14,126,107	9.75%	7/1/2024	Monthly
WMQS Global Equity Active Extension Onshore Fund LP	1,505,000	1,654,291	1.14%	7/1/2024	Monthly
<b>TOTAL HEDGE EQUITY</b>	<b>15,010,000</b>	<b>15,780,398</b>	<b>10.89%</b>		
<b>MACRO - 14.91%</b>					
Brevan Howard Alpha Strategies Fund (Delaware No. 2), L.P.	10,455,000	10,880,442	7.50%	7/1/2024	Monthly
The Campbell Absolute Return Onshore Fund LLC	10,255,000	10,735,280	7.41%	7/1/2024	Monthly
	<b>20,710,000</b>	<b>21,615,722</b>	<b>14.91%</b>		
<b>TOTAL INVESTMENT FUNDS</b>	<b>\$ 133,309,000</b>	<b>\$ 139,383,749</b>	<b>96.15%</b>		
<b>SHORT TERM INVESTMENTS - 2.04%</b>					
Fidelity Government Portfolio Institutional Class, 4.22% (b)	2,913,174	2,913,174	2.01%		
Fidelity Treasury Portfolio Class I, 4.19% (b)	40,759	40,759	0.03%		
<b>TOTAL SHORT TERM INVESTMENTS</b>	<b>\$ 2,953,933</b>	<b>\$ 2,953,933</b>	<b>2.04%</b>		
<b>TOTAL INVESTMENTS - 98.19 % (Cost - \$136,262,934)</b>		\$ 142,337,682			
<b>OTHER ASSETS LESS LIABILITIES- 1.81%</b>		2,616,580			
<b>NET ASSETS - 100.0%</b>		<b>\$ 144,954,262</b>			

(a) Available frequency of redemptions after the initial lock up period, if any. Different tranches may have varying liquidity terms.

(b) Money market fund; interest rate reflects seven-day effective yield on May 31, 2025.

See accompanying notes to financial statements.

*iDirect Multi-Strategy Fund, LLC*  
(A Delaware Limited Liability Company)  
**STATEMENT OF ASSETS AND LIABILITIES (Unaudited)**  
May 31, 2025

<b>ASSETS</b>	
Investments:	
Investments at fair value (cost \$136,262,934)	\$ 142,337,682
Cash	4,100,000
Deferred Offering Cost	204,286
Interest Income receivable	17,180
Receivable due from Adviser	492,390
<b>TOTAL ASSETS</b>	<b>\$ 147,151,538</b>
<b>LIABILITIES</b>	
Contributions received in advance	1,770,000
Accrued offering costs	161,293
Directors fees	33,500
Investor service fee payable	143,706
Accrued expenses and other liabilities	88,777
<b>TOTAL LIABILITIES</b>	<b>2,197,276</b>
<b>NET ASSETS</b>	<b>\$ 144,954,262</b>
<b>Composition of Net Assets:</b>	
Paid-in capital	\$ 139,569,000
Accumulated earnings	5,385,262
<b>NET ASSETS</b>	<b>\$ 144,954,262</b>
<b>Class I:</b>	
Net Assets	<b>\$ 39,246,338</b>
<b>Class A:</b>	
Net Assets	<b>\$ 105,707,924</b>

See accompanying notes to financial statements.

*iDirect Multi-Strategy Fund, LLC*  
(A Delaware Limited Liability Company)  
**STATEMENT OF OPERATIONS (Unaudited)**  
For the Period from April 1, 2025 to May 31, 2025

<b>INVESTMENT INCOME</b>	
Interest income	\$ 35,075
<b>TOTAL INVESTMENT INCOME</b>	<u>35,075</u>
<b>EXPENSES</b>	
Management fees	191,914
Offering costs	118,604
Investor servicing fees	131,659
Audit and tax fees	12,666
Legal fees	8,333
Directors fees and expenses	8,000
Custodian fees	5,914
Printing and postage expenses	2,500
<b>TOTAL EXPENSES</b>	<u>479,590</u>
Expense offset	(78,104)
Management fee waiver	(95,957)
<b>NET EXPENSES</b>	<u>305,529</u>
<b>NET INVESTMENT LOSS</b>	<u>(270,454)</u>
<b>NET UNREALIZED APPRECIATION/(DEPRECIATION) ON INVESTMENTS</b>	
Net unrealized appreciation/(depreciation) on investments	2,461,405
<b>NET UNREALIZED GAIN ON INVESTMENTS</b>	<u>2,461,405</u>
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	<u><u>\$ 2,190,951</u></u>

See accompanying notes to financial statements.

**iDirect Multi-Strategy Fund, LLC**  
**(A Delaware Limited Liability Company)**  
**STATEMENT OF CHANGES IN NET ASSETS**

	<b>For the Period from April 1, 2025 to 5/31/2025 (Unaudited)</b>	<b>For the Period Ended 3/31/2025 (a)</b>
<b>INCREASE IN NET ASSETS FROM OPERATIONS</b>		
Net investment loss	\$ (270,454)	\$ (419,032)
Net change in unrealized appreciation/(depreciation) on investments	2,461,405	3,613,343
Net increase in net assets resulting from operations	<u>2,190,951</u>	<u>3,194,311</u>
<b>BENEFICIAL INTEREST TRANSACTIONS</b>		
Proceeds from capital contributions		
Class I	6,024,000	31,095,000
Class A	28,950,000	73,500,000
Total Increase in net assets from Shares of Beneficial Interest	<u>34,974,000</u>	<u>104,595,000</u>
<b>NET INCREASE IN NET ASSETS FROM OPERATIONS AND BENEFICIAL INTEREST TRANSACTIONS</b>	<u>37,164,951</u>	<u>107,789,311</u>
<b>NET ASSETS</b>		
Beginning of Period	107,789,311	-
End of Period	<u><u>\$ 144,954,262</u></u>	<u><u>\$ 107,789,311</u></u>

(a) Commencement of operations was July 1, 2024

See accompanying notes to financial statements.

*iDirect Multi-Strategy Fund, LLC*  
(A Delaware Limited Liability Company)  
**STATEMENT OF CASH FLOWS**  
For the Period from April 1, 2025 to May 31, 2025

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net increase in net assets resulting from operations	\$ 2,190,951
Adjustments to reconcile net increase in net assets resulting from operations to net cash used in operating activities:	
Purchase of investments	\$ (27,384,000)
Net sales of short-term investments	2,155,196
Net change in unrealized appreciation/depreciation on investments	(2,461,405)
Decrease in prepaid investment	26,600,000
Decrease in deferred offering cost	118,605
Decrease in interest receivables	11,460
Decrease in Receivable due from Adviser	17,851
Increase in directors fees	8,000
Increase in investor service fees	131,660
Decrease in accrued expenses and other liabilities	(92,318)
<b>Net cash used in operating activities</b>	<u>1,296,000</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Capital contributions, including capital contributions received in advance	2,554,000
<b>Net cash provided by financing activities</b>	<u>2,554,000</u>
<b>NET INCREASE IN CASH</b>	3,850,000
<b>CASH - BEGINNING OF PERIOD</b>	<u>250,000</u>
<b>CASH - END OF PERIOD</b>	<u><u>\$ 4,100,000</u></u>

See accompanying notes to financial statements.

**iDirect Multi Strategy Fund, LLC**  
**(A Delaware Limited Liability Company)**  
**STATEMENT OF FINANCIAL HIGHLIGHTS**

	<b>Class A <sup>(1)</sup></b>		<b>Class I <sup>(2)</sup></b>	
	<b>Period from April 1, 2025 to May 31, 2025 (Unaudited)</b>	<b>Period Ended March 31, 2025</b>	<b>Period from April 1, 2025 to May 31, 2025 (Unaudited)</b>	<b>Period Ended March 31, 2025</b>
<b>Total Return <sup>(3)</sup></b>	1.49%	2.31%	1.66%	8.39%
<b>Net assets, end of period</b>	<b>\$ 105,707,924</b>	<b>\$ 75,201,374</b>	<b>\$ 39,246,338</b>	<b>\$ 32,587,937</b>
<b>Supplemental Data</b>				
Ratio of gross expenses to average net assets	2.24%	2.87% <sup>(4)</sup>	1.31%	2.34% <sup>(4)</sup>
Ratio of net expenses to average net assets	1.55%	1.62% <sup>(4)</sup>	0.80%	1.12% <sup>(4)</sup>
Ratio of net investment income/(loss) to average net assets	-1.39%	-1.52% <sup>(4)</sup>	-0.64%	-0.87% <sup>(4)</sup>
<b>Portfolio Turnover Rate <sup>(3)</sup></b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

(1) Class commenced operations on December 1, 2024

(2) Class commenced operations on July 1, 2024

(3) Not annualized

(4) The net investment income/(loss) and expenses ratios, excluding nonrecurring expenses, have been annualized for period less than twelve months

See accompanying notes to financial statements.



*iDirect Multi-Strategy Fund, LLC*  
NOTES TO FINANCIAL STATEMENTS (Unaudited)  
May 31, 2025

**(1) Organization**

iDirect Multi-Strategy Fund, LLC (the “Fund”) was organized as a Delaware limited liability company on March 27, 2024 and commenced operations on July 1, 2024 and is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a closed-end, non-diversified investment management company. iCapital Fund Advisors, LLC is the investment adviser of the Fund (the “Adviser”). iCapital HF GP, LLC (the “Managing Member”) holds the managing member interest and serves as the managing member of the Fund. iCapital Markets LLC (“iCapital Markets”) serves as the placement agent (the “Placement Agent”) for the Fund. The Fund may retain additional placement agents. Ultimus LeverPoint Private Fund Solutions, LLC is the administrator (the “Administrator”) of the Fund.

The Fund is hereby offering two classes: Class A and Class I. Class A may be subject to a maximum sales load of up to 3.50% at the time of investment. The gross Subscription shall include any sales load. The placement agent may, in its discretion, waive all or a portion of the sales load. Class I is offered without a sales load. The minimum initial subscription to the Fund by a prospective Member is \$100,000 and the minimum subsequent subscription to the Fund is \$50,000. Class I Shares launched on July 1, 2024 and Class A Shares launched December 1, 2024.

Limited liability company interests of the Fund are being offered and sold in a private placement to certain investors (the “Members”) prior to the effectiveness of the Fund’s registration statement on Form N-2 under the Securities Act of 1933, as amended (the “Securities Act Registration”), which the Adviser expects to occur in August 2025 (such date, the “Closed-End Fund Conversion Date”).

Prior to the Closed-End Fund Conversion Date, limited liability company interests will be offered for sale on a continuous basis (subject to the Investee Funds’ (as defined below) capacity) as of the opening of business on the first calendar day of each calendar month, or on such other days as the Managing Member, in its sole discretion, may determine, subject at all times to the ability of the Fund to subscribe to the Investee Funds (each such date, a “Subscription Date”).

The Fund’s investment objective is to seek capital appreciation. The Fund invests substantially all of its investable assets in the private investment funds of a limited number of hedge fund managers (each such fund, an “Investee Fund” and collectively, the “Investee Funds”). The Investee Funds other than Point72 Capital, L.P., in turn invest substantially all of the net proceeds received from the sale of limited partnership interests, in Atlas Enhanced Master Fund, Ltd., Brevan Howard Alpha Strategies Master Fund Limited, Campbell Equity Alpha Master Fund LP, Millennium Partners, L.P., Verition Multi-Strategy Master Fund Ltd., Verition Canada Master Fund Ltd., WMA Systematic Equity Alpha Long/Short Master Fund LP, and WMQS Global Equity Active Extension Master Fund LP (collectively, the “Master Funds”).

**Operating Segments**—The Fund has adopted Financial Accounting Standards Board (“FASB”) Accounting Standards Update 2023-07, Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures (“ASU 2023-07”). Adoption of the standard impacted financial statement disclosures only and did not affect the Fund’s financial position or the results of its operations. An operating segment is defined in Topic 280 as a component of a public entity that engages in business activities from which it may recognize revenues and incur expenses, has operating results that are regularly reviewed by the public entity’s chief operating decision maker (“CODM”) to make decisions about resources to be allocated to the segment and assess its performance, and has discrete financial information available. The CODM is comprised of the portfolio manager and Principal Financial Officer of the Fund. The Fund operates as a single operating segment. The Fund’s income, expenses, assets, changes in net assets resulting from operations and performance are regularly monitored and assessed as a whole by the CODM responsible for oversight functions of the Fund, using the information presented in the financial statements and financial highlights.

**(2) Significant Accounting Policies**

**Basis of Presentation**—Under FASB’s Accounting Standards Codification (“ASC”) Topic 946, *Financial Services – Investment Companies*, the Fund follows accounting and reporting guidance for investment companies. The Fund’s financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”). The preparation of financial statements requires the Fund’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of investment income and expenses during the reporting period. Actual results could differ from those estimates.

*iDirect Multi-Strategy Fund, LLC*  
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)  
May 31, 2025

**Investment Transactions and Related Investment Income and Expense**—Investment transactions are accounted for on a trade-date basis. Interest income is recognized on an accrual basis. Dividend income is recognized on the ex-dividend date or as soon as information is available to the Fund and interest income is recognized on an accrual basis. Discounts and premiums on debt securities are amortized over their respective lives using the effective interest method. Realized gains or losses from investment transactions are recorded on a specific identification basis. Changes in the fair value of the investments are accounted for as a net change in unrealized gain or loss on the statement of operations.

**Cash**—Cash consists of monies held at UMB Bank, N.A. Such cash may exceed federally insured limits. The Fund has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on such accounts. There are no restrictions on the cash held by the Fund.

**Short-Term Investments**—Short-term investments represent investments in high quality money market instruments and money market mutual funds and are recorded at net asset value (“NAV”) per share, which approximates fair value. Money market instruments are high quality, short-term fixed-income obligations, which generally have remaining maturities of one year or less and may include U.S. Government securities, commercial paper, certificates of deposit and bankers acceptances issued by domestic branches of U.S. banks that are members of the Federal Deposit Insurance Corporation, and repurchase agreements.

**Income Taxes**—In accordance with ASC 740 Income Taxes, the Fund does not record a provision for U.S. federal, state, or local income taxes because the limited partners report their share of the Fund's income or loss on their income tax returns. Generally, the Fund is subject to income tax examinations by major taxing authorities for the three-years prior to the year covered by these financial statements.

Effective February 1, 2025, the Fund is qualified, and intends to elect, to be treated as a regulated investment company (“RIC”) under the provisions of the Internal Revenue Code and to distribute substantially all of its taxable income and net realized (after reduction for capital loss carryforwards) gains to shareholders.

The Fund is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, based on the technical merits of the position. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant taxing authorities. Based on its analysis, the Fund has determined that it has not incurred any liability for unrecognized tax benefits for the periods from February 1, 2025 to March 31, 2025 and March 31, 2025 to May 31, 2025. The Fund does not expect that its assessment regarding unrecognized tax benefits will materially change over the next twelve months. However, the Fund's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions, compliance with U.S. federal, state and foreign tax laws, and changes in the administrative practices and precedents of the relevant taxing authorities.

### (3) Fair Value Measurements

The Fund utilizes various methods to measure the fair value of its investments. GAAP establishes a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. In accordance with ASC Topic 820, these inputs are summarized below:

*Level 1* – Unadjusted quoted prices in active markets for identical assets and liabilities.

*Level 2* – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument in an inactive market for similar instruments, and fair value is determined through the use of models or other valuation methodologies.

*iDirect Multi-Strategy Fund, LLC*  
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)  
May 31, 2025

*Level 3* – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability and based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. The categorization of Level 2 or Level 3 is based on the significance of the unobservable inputs to the overall valuation. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for investments categorized in Level 3.

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement.

The Managing Member and the Adviser establish valuation processes and procedures to ensure that the valuation techniques for investments are fair, consistent and verifiable. Valuation for the Investee Funds is reviewed by management to ensure that the reported net asset value (“NAV”) is a practical expedient of fair value.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. The following tables summarize the inputs used to value the Fund’s investments by fair value hierarchy as of May 31, 2025:

	Level 1	Level 2	Level 3	Investments Valued at NAV *	Total
<b>Assets:</b>					
Investment Funds	\$ -	\$ -	\$ -	\$ 139,383,749	\$ 139,383,749
Money market fund	2,953,933	-	-	-	2,953,933
<b>Total</b>	<b>\$ 2,953,933</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 139,383,749</b>	<b>\$ 142,337,682</b>

\* Investments valued using NAV as the practical expedient, an indicator of fair value, are listed in a separate column to permit reconciliation to totals presented on the Statement of Assets and Liabilities.

**Investments Valued at NAV** - The Fund records its investment in the Investee Funds at fair value in accordance with FASB ASC 820, Fair Value Measurement, based on the Fund’s proportionate share of its interest in the net assets of the Investee Funds. FASB ASC 820 permits a reporting entity to measure the fair value of an investment interest that does not have a readily determinable fair value based on NAV per share, or its equivalent, of the investment interest as a practical expedient, without further adjustment, unless it is probable that the investment would be sold at a value significantly different than the NAV. If the practical expedient NAV is not as of the reporting entity’s measurement date, then the NAV should be adjusted to reflect any significant events that may change the valuation. In using NAV as a practical expedient, certain attributes of the investment that may impact its fair value are not considered in measuring fair value.

At the end of each accounting period of the Fund, net capital appreciation or depreciation of the Fund is allocated to the capital accounts of all members in proportion to each member’s capital account balance at the beginning of the accounting period (exclusive of any interest in special investment accounts) if any. Since the Fund invests substantially all of its assets in the Investee Funds, net capital appreciation or depreciation of the Fund is generally based upon net capital appreciation or depreciation, respectively, of the Investee Funds (as adjusted for any expenses, assets or liabilities incurred by the Fund and the management fee).

The value assigned to the Fund investment in the Investee Funds is based on available information and does not necessarily represent the amount that might ultimately be realized, as such amount depends on future circumstances and cannot reasonably be determined until the Investee Funds’ investments are actually liquidated. Further, the Fund’s investment in the Investee Funds is indirectly subjected to restrictions, if any, on the liquidity of the Investee Funds’ investments. The Fund’s investment in the Investee Funds amount of \$139,383,749 as of May 31, 2025 and can be liquidated as per the liquidation terms of the Investee Funds.

*iDirect Multi-Strategy Fund, LLC*  
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)  
May 31, 2025

A listing of the Investment held by the Fund and their attributes, as of May 31, 2025, are shown in the table below:

Investment	Investment Strategy	Fair Value	Unfunded Commitments	Remaining Life	Redemption Frequency	Notice Period (In Days)	Redemption Restrictions Terms
Atlas Enhanced Fund, L.P.	Use a high amount of leverage to achieve capital appreciation by utilizing a variety of investment strategies within and outside United States markets	\$ 20,584,188	N/A	N/A	Quarterly	65 Days	12.50% gate
Brevan Howard Alpha Strategies Fund (Delaware No. 2) L.P	Generate absolute returns through the allocation of capital to a number of strategies across a broad range of asset classes	10,880,442	N/A	N/A	Monthly	90 Days	12.50% gate in 3 month rolling period
The Campbell Absolute Return Onshore Fund LLC	Operates as an investment pool and engages in speculative trading of futures, forwards and swaps	10,735,280	N/A	N/A	Monthly	30 Days	N/A
Millennium USA HedgeFocus Fund LP	Trading equities, fixed income products, options, futures and other financial instruments	34,352,354	N/A	N/A	Quarterly	105 Days	5.00% gate
Point72 Capital, L.P.	Achieving attractive return on risk- adjusted basis through purchase and sale of US and non-US securities and options to buy/sell securities, derivatives and commodities	25,170,815	N/A	N/A	Quarterly	45 Days	25.00% gate
Verition Multi-Strategy Fund LLC	Superior risk- adjusted returns through implementation of a diversified range of alternative investment strategies	21,880,272	N/A	N/A	Quarterly	45 Days	8.33% gate

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NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)  
May 31, 2025

Investment	Investment Strategy	Fair Value	Unfunded Commitments	Remaining Life	Redemption Frequency	Notice Period (In Days)	Redemption Restrictions Terms
WMA Systematic Equity Alpha Long/Short Onshore Fund LP	Large cap, developed market equities, including publicly traded equities, equity swaps and equity options	14,126,107	N/A	N/A	Monthly	30 Days	N/A
WMQS Global Equity Active Extension Onshore Fund LP	Seek to outperform the MSCI World Net Daily Return Index (the “MSCI Index”) over a 3-5 year market cycle	1,654,291	N/A	N/A	Monthly	30 Days	N/A
		\$ 139,383,749					

**(4) Investment Transactions**

The cost of purchases and proceeds from the sale of investments, other than short-term securities, for the period ended May 31, 2025 amounted to \$27,384,000 and \$0, respectively.

**(5) Management Fees, Related Party Fees and Expenses**

**Management Fees**—The Adviser will receive from the Fund a monthly management fee (the “Management Fee”), calculated and payable monthly in arrears at a rate (the “Management Fee Rate”) of the NAV of the Member’s capital account deducted from the capital account of each such Member. The Management Fee Rate with respect to Members will be 0.0666% per month (i.e. 0.80% per annum). The portion of management fee and performance fee with respect to its Investee Funds classes range between 0.00%-2.85% per annum and 0-30% per annum, respectively and are not recorded directly by the Fund. Pursuant to the investment management agreement, the Fund incurred \$191,914 in Management Fees as shown in the Fund’s Statement of Operations.

Until the earlier of (i) one year from the first Subscription Date or (ii) the Closed-End Fund Conversion, the Management Fee will be waived by an amount equal to 0.0333% per month (i.e., 0.40% per annum) of the NAV of each Member’s Capital Account, thereby reducing the Management Fee to 0.0333% per month (i.e., 0.40% per annum). Pursuant to the investment management agreement, the Fund waived \$95,957 in Management Fees as shown in the Fund’s Statement of Operations.

**Related Party Fees**—A fee for investor services provided by iCapital Markets LLC (“iCapital Markets”) shall be assessed separately for each Class A Member (the Class A Member’s “Investor Servicing Fee”) equal to 0.0625% per month (i.e., 0.75% per annum) for each Class A Member. As of May 31, 2025 the Fund incurred \$131,659 in investor service fees paid to iCapital Markets, which are included in the Statement of Operations. As of May 31, 2025, Investor servicing fees payable was \$143,706.

**Expenses**—The Fund bears its own ordinary operating expenses including administrative expenses, custodial costs, legal expenses, accounting expenses, auditing and tax preparation expenses, insurance premiums, limited partner meeting costs, and other expenses related to the Fund (collectively, the “Ordinary Operating Expenses”); and extraordinary expenses including, but not limited to, taxes, if any, imposed on the Fund, the costs of litigation brought by or against the Fund, any expenses associated with the Fund’s indemnification obligations, and any expenses relating to enforcing or protecting the Fund’s rights with respect to portfolio investments and investment expenses.

To the extent that Capped Expenses (as defined below) payable in any fiscal year exceed 0.40% per annum of the month-end NAV of the Fund for such fiscal year (the “Expense Cap”) (“Excess Fund Expenses”), the Adviser or its affiliates have voluntarily agreed to bear any such Excess Fund Expenses until one year from the Securities Act Registration. The Expense Cap will accrue and be applied on a monthly basis taking into account the prior month-end NAV of the Fund during such fiscal year. For any subscriptions that occur mid-year, the Expense Cap applicable to such subscription(s) shall be prorated based on the number of weeks/months remaining in such fiscal year. For the avoidance of doubt, the Expense Cap applied to the assets of the Fund shall be reduced pro rata to reflect repurchases by the Fund during a fiscal year. “Capped Expenses” means Fund expenses, as listed above, excluding (i) the Management Fee, Investor Servicing Fee and Investee Fund expenses (including contribution requirements for investments, expenses and management fees), (ii) other investment-related expenses of the Fund, (iii) taxes and (iv) litigation and other extraordinary expenses. For the period ended May 31, 2025, the Fund was reimbursed by the Adviser an amount of \$78,104, presented as an Expense offset on the Statement of Operations.

*iDirect Multi-Strategy Fund, LLC*  
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)  
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**Organizational and Offering Expenses**—Organizational costs are expensed as incurred. Offering costs are accounted for as a deferred charge from the commencement of operations and are thereafter amortized to expense over twelve months on a straight-line basis. Organizational costs consist of the costs of forming the Fund; drafting of bylaws, administration, custody and transfer agency agreements; and legal services in connection with the initial meeting of the Board and the Fund's seed audit costs. Offering costs consist of the costs of preparing, reviewing and filing with the SEC the Fund's registration statement; the costs of preparing, reviewing and filing of any associated marketing or similar materials; the costs associated with the printing, mailing or other distribution of the Fund's Prospectus, Statement of Additional Information and/or marketing materials; and the amounts of associated filing fees and legal fees associated with the offering. The aggregate amount of the organizational costs and offering costs recorded for the period ended May 31, 2025 are \$0 and \$118,604, respectively.

**(6) Risks, Uncertainties and Indemnifications**

In the ordinary course of business, the Fund manages a variety of risks. The Fund identifies, measures and monitors risks through various control mechanisms. Multiple market risk factors exist which could cause the Fund to lose some or all of its invested capital. Market and other risks factors are outlined below:

The Fund plans to invest primarily in the Investee Funds, which, other than Point72 Capital, L.P., invest in the Master Funds and are believed to possess the attributes necessary to produce significant investment returns. The Investee Funds' risks are closely tied to those of the Master Funds. Multiple market risk factors exist which could cause the Fund to lose some or all of its invested capital. Market and other risks factors are outlined below:

**General Economic and Other Risk Factors**—The Fund's investment in the Investee Funds can be significantly impacted by general economic and political conditions, global and domestic market and industry-specific economic conditions.

Political developments, cybersecurity attacks, natural disasters, public health crises and other events outside of the Fund's control can also adversely impact the Fund and its Investee Funds in material respects. For example, if any of these events occurred it may have an impact on the Investee Funds' fair value measurements, financing arrangements or their ability to achieve their investment objectives and the impact could be material.

**Credit Risk and Concentration Risk**—The Fund participates in multiple Investee Funds' investments and, as a consequence, the aggregate return of the Fund may be materially and adversely affected by the unfavorable performance of the multiple Investee Funds.

The Fund may invest indirectly through the Investee Funds in securities that are either not rated or are rated in the lower rating categories by various credit rating agencies. Securities in the lower rated categories are subject to greater risk of loss of principal and interest than higher-rated securities, particularly in the case of deterioration in general economic conditions.

*iDirect Multi-Strategy Fund, LLC*  
NOTES TO FINANCIAL STATEMENTS (Unaudited)(Continued)  
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**Investee Risk**—The Fund does not have an active role in the day-to-day management of the Investee Funds in which it invests or the ability to approve the specific investment or management decisions made by the general partners of the Investee Funds. As a result, the returns of the Fund primarily depend on the performance of these asset managers and other management personnel and could be adversely affected by the unfavorable performance of the Investee Funds in which it invests.

The Fund has substantial investments, through its Investee Funds, in small companies which may have limited business histories, products and service lines, financial resources and management depth.

The Fund, through the investments in the Investee Funds, may invest in certain portfolio companies that are experiencing significant financial or business difficulties and with a substantial amount of debt or borrowing, which typically include restrictive covenants. Such investments are subject to greater risk of poor performance or loss.

**Liquidity Risk**—Due to the nature of its investment, the Fund is subject to withdrawal restrictions at the discretion of the general partners of the Investee Funds as described in the subscription agreement of the Investee Funds.

**Indemnifications**—In the normal course of its business, the Fund enters into contracts and agreements with certain service providers, such as clearing and custody agents, trustees and administrators, that contain a variety of representations and warranties and which provide general indemnifications and guarantees against specified potential losses in connection with their activities as an agent of, or providing services to, the Fund. The Fund's maximum exposure under these agreements is unknown, as this may involve future claims that could be made against the Fund and have not yet occurred. The Fund expects the risk of any future obligation under these arrangements to be remote and has not recorded any contingent liability in the financial statements for these indemnifications.

**(7) Aggregate Unrealized Appreciation and Depreciation as of May 31, 2025— Tax Basis**

Tax Cost	Unrealized Appreciation	Unrealized Depreciation	Net Unrealized Depreciation
\$ 136,262,934	\$ 6,074,748	\$ -	\$ 6,074,748

**(8) Subsequent Events**

Subsequent to May 31, 2025 and through July 11, 2025, the date the financial statements were issued, the Adviser evaluated subsequent events and concluded that there were no events requiring accrual or disclosure.

## ANNEX A

### iCAPITAL FUND ADVISORS LLC PROXY VOTING

#### 14 CORPORATE ACTIONS AND PROXY VOTING POLICY

##### 14.1 Introduction

Rule 206(4)-6 of the Advisers Act (the “**Proxy Rule**”) requires a registered investment adviser that exercises voting authority with respect to client securities to: (i) adopt written policies reasonably designed to ensure that the investment adviser votes in the best interest of its clients and addresses how the investment adviser will deal with material conflicts of interest that may arise between the investment adviser and its clients; (ii) disclose to its clients information about such policies and procedures; and (iii) upon request provide information on how proxies were voted.

##### 14.2 Corporate Action and Proxy Voting Policy

iCapital’s advisory services primarily include identifying underlying private equity and hedge fund managers with whom to invest the assets of its Private Access Funds or identifying sub- advisors to assist iCapital in managing the Direct Portfolio Funds, and therefore does not expect to vote proxies. Nevertheless, iCapital’s policy is to comply with the Proxy Rule and act solely in the best interest of the Client when exercising its voting authority. iCapital determines whether and how to vote corporate actions and proxies on a case-by-case basis and will apply the following guidelines, as applicable:

- iCapital will attempt to consider all aspects of the vote that could affect the value of the issuer or that of the Client.
- iCapital will vote in a manner that it believes is consistent with the Client’s stated objectives.
- iCapital will generally vote in accordance with the recommendation of the issuing company’s management on routine and administrative matters, unless the Firm has a particular reason to vote to the contrary.

##### 14.3 Conflicts of Interest

iCapital will not put its own interests ahead of those of any Client and will resolve any possible conflicts between its interests and those of the Client in favor of the Client. In the event that a potential conflict of interest arises, iCapital will vote on a case-by-case basis and undertake the following analysis.

A conflict of interest will be considered material to the extent that it is determined that the conflict has the potential to influence the Firm’s decision making in voting the proxy. If such a material conflict is deemed to exist, iCapital will refrain completely from exercising its discretion with respect to voting the proxy and will instead refer that vote to an outside service for its independent consideration. If it is determined that any such conflict or potential conflict is not material, iCapital may vote the proxy.

##### 14.4 Voting Information and Recordkeeping

Under the Books and Records Rule, iCapital must retain:

- its voting policies and procedures;
- corporate action and proxy statements received;
- records of votes cast;
- records of its investor’s requests for voting information; and
- any documents prepared by iCapital that were material to making a decision on how to vote.

All votes will be documented and maintained by the CCO.

##### 14.5 Operating Procedures and Compliance Review

iCapital’s advisory services primarily include identifying underlying private equity and hedge fund managers with whom to invest the assets of its Private Access Funds or identifying sub- advisors to assist iCapital in managing the Direct Portfolio Funds, and therefore, does not expect to vote proxies. Nevertheless, should there be an occasion to vote a proxy, iCapital will vote proxies manually as it deems necessary or appropriate, on a case by case basis. Prior to voting, the CCO will decide as to whether a material conflict of interest exists and will either resolve the conflict or refer the proxy vote to an outside service for its independent consideration. The CCO will conduct a periodic review of the proxy voting records to ensure that proxies are properly voted and records are appropriately maintained.

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# iDirect

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