

# **Arca U.S. Treasury Fund**

Annual Report  
December 31, 2022

This report covers operations of Arca U.S. Treasury Fund (the “Fund”) for the fiscal year ended December 31, 2022. The Fund concluded the year with net assets of \$371,466 across 17 different wallet addresses, up from \$116,143 in December 2021 representing an increase of 220%.

### Arca U.S. Treasury Fund

The Fund’s investment objective is to seek maximum total return consistent with the preservation of capital. Over the course of the reporting period, the Fund purchased and maintained a portfolio of U.S. Treasury securities in accordance with its investment strategy.

### Bond Market Overview

2022 was an unusually bad environment for fixed income investors. Coming out of the COVID-19 pandemic, the year started with rock-bottom interest rates leading to historically low yields. As a result, US Treasuries marked record annual losses, further exacerbated by geopolitical conflicts and inflationary pressures that forced the Federal Reserve to hike its overnight benchmark interest rate target by more than four percentage points. The Bloomberg US Treasury Index fell 12.5%, its second straight full-year loss and biggest in its forty-year history. The worst performing months for the index were in September (-3.45%), March (-3.11%) and April (-3.10%).

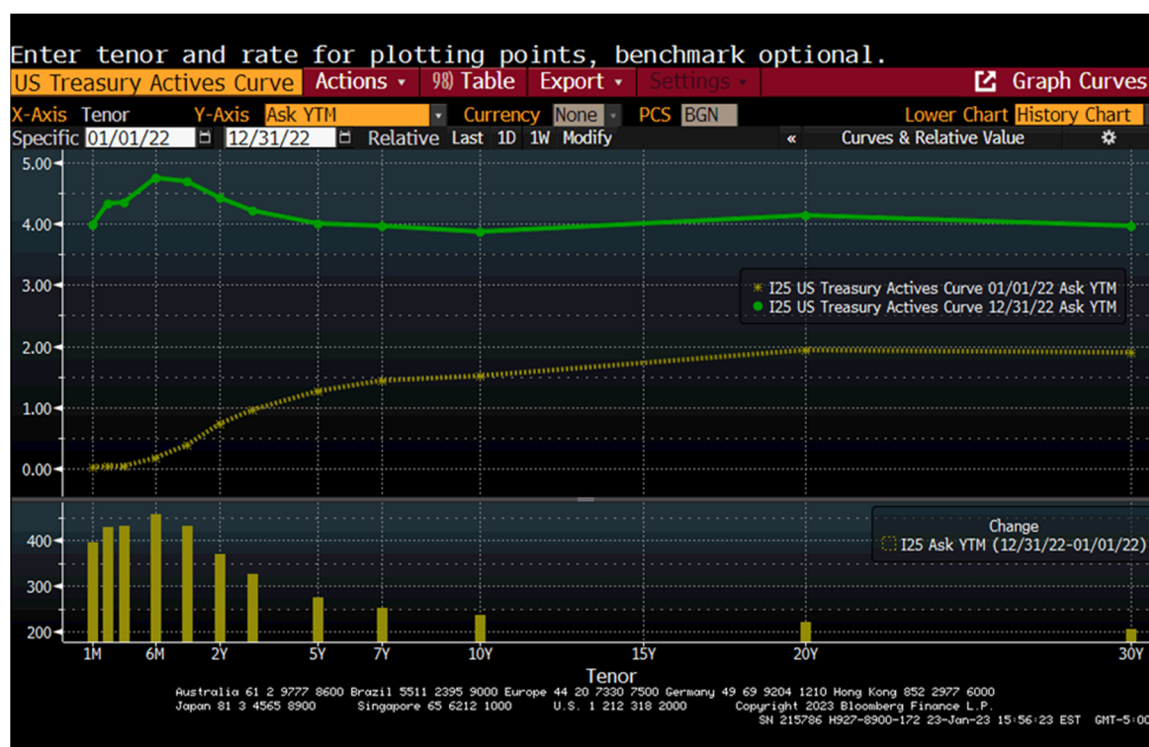
Chart of 2022 Bloomberg US Treasury Index



Source: Bloomberg 1/23/2023

Yields peaked in mid-October of 2022, then retreated as inflation began to slow and Federal Reserve officials slowed the rate of policy tightening. The yield curve, as depicted by the difference between the yield of the 2-year Treasury note and the 10-year Treasury note, inverted, with rates for 2-year notes exceeding those for ten-year notes in March 2022, for the first time since 2019, and then again in June 2022. The extent of the inversion of the 2- to 10-year curve reached as high as 85.2 basis points on December 7th, 2022, before ending the year at around 56 basis points.

### Shape of the Yield Curve: 12/31/2021 vs 12/31/2022



Source: Bloomberg 1/23/2023

Looking ahead to 2023, we expect Treasuries to extend their rally, bringing yields lower and further steepening the curve in the second half of the year as long as labor-market conditions temper and inflation ebbs further. With global central banks likely to slow or even end their tightening bias, we expect an increase in the attractiveness of the bond market in 2023.

### Inside the Portfolio

The Fund’s investment objective is to seek maximum total return consistent with the preservation of capital. With both the Fund’s investment objective and current rate environment in mind, we are continuing to capitalize on opportunities for higher yields while seeking to minimize duration risk by rolling 3- and 6-month U.S. Treasury bills. The Fund’s returns have increased by +1.00% since December 31st, 2021, compared to +.99% for the Bloomberg Short Treasury Total Return Value Index Unhedged in 2022.

### Factors that Materially Affected the Fund’s Performance

Low and rising interest rates are the major contributors to the performance of the Fund. With interest rates at 15-year highs, the market is now considering whether rate hikes will be slowed further as the Federal

Reserve continues to battle high inflation. Consequently, Arca Capital Management, LLC (the “Adviser”), believes the current yield of short duration Treasuries will remain stable for the first half of 2023 and eventually fall as the Federal Reserve slows monetary tightening and eventually cuts interest rates to stimulate the economy.

## **Ethereum Merge**

On September 15, 2022, the Ethereum Foundation merged its production network (“Mainnet”) with a new consensus layer that had been operating since December 2020. This event, known as the “Merge,” resulted in the Ethereum Mainnet moving from a proof-of-work consensus mechanism to a new proof-of-stake (“PoS”) consensus mechanism. Following the Merge, ArCoin is only supported on the upgraded Ethereum Mainnet (now running PoS). As a result of this change, new purchases of ArCoin are only issued on Ethereum Mainnet. Additionally, Securitize, LLC, the Fund’s transfer Agent will only monitor for transactions on the PoS chain and will only reconcile the Fund’s shareholder records to the PoS chain.

Effective September 30, 2022 the Fund made the following changes to the Fund’s Prospectus and SAI as related to the “Merge”:

### ***Fork Risk***

Blockchain software is generally open-source. Any user can download the software, modify it and then propose that the network adopt the modification. When a modification is introduced and a substantial majority of users consent to the modification, the change is implemented and the blockchain network remains uninterrupted. However, if less than a substantial majority of users consent to a proposed modification, and the blockchain consensus mechanism allows for the modification to nonetheless be implemented by some users and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a “fork” (i.e., “split”) of the blockchain network (and the blockchain), with one version running the pre-modified software and the other running the modified software. The effect of a fork is the existence of two (or more) versions of the blockchain network running in parallel, but with each version’s native asset lacking interchangeability. Additionally, a fork could be introduced by an unintentional, unanticipated software flaw in the multiple versions of otherwise compatible software that users run. If a fork occurs, the original blockchain and the forked blockchain could potentially compete for users and other participants, leading to a loss of these for the original blockchain.

### ***51% Attack Risk***

If a majority of staked native cryptocurrency on a blockchain using a proof-of-stake consensus mechanism, such as Ethereum, is controlled by a bad actor, whether singularly or as a group (often referred to as a “51% attack”), it may be able to alter the blockchain on which the network and network transactions rely. This could occur, for example, if the bad actor were to construct fraudulent blocks or prevent certain transactions from being completed in a timely manner, or at all. It could also be possible for a malicious actor to control, exclude or modify the ordering of transactions, though it could not generate new network coins or transactions. Further, a bad actor could “double-spend” its own network native digital asset (i.e., spend the same network digital asset in more than one transaction) and prevent the confirmation of other users’ transactions for so long as it maintained control. If the network community did not reject the fraudulent blocks as malicious or to the extent that such bad actor did not yield its control, reversing any changes made to the blockchain network may be impossible. The possible crossing of this threshold indicates a greater risk that a single validator (or group of validators working together) could exert authority over the validation of network transactions. If the feasibility of a bad actor

gaining control of the blockchain network increases, it may negatively affect the ability of the Fund's shares to be held on the blockchain undergoing a 51% attack.

The 51% threshold is the level that would almost guarantee a malicious actor's success. However, such attacks could in theory occur at thresholds lower than 51% of the staked cryptocurrency. In addition, a malicious actor may also obtain control over the blockchain network through its influence over core developers by gaining direct control over a core developer or an otherwise influential programmer. To the extent that a blockchain network's ecosystem does not grow, the possibility that a malicious actor may be able to obtain control of the processing power or development control on the blockchain network in this manner will remain heightened.

***Additional Risks of the Ethereum Blockchain's Change to a Proof-of-Stake Consensus Mechanism***

Ethereum previously used a consensus protocol called proof-of-work, similar to bitcoin. This allowed the nodes of the Ethereum network to agree on the state of all information recorded on the Ethereum blockchain and prevented certain kinds of economic attacks. One risk of the recent Merge and the Ethereum blockchain moving to proof-of-stake is centralization of staking power in a relatively small number of validators which could occur, for example, as a result of validators ceasing operations or if staked ether is otherwise concentrated in a small number of validators. As a result, it may adversely affect the confirmation process for transactions (i.e., temporarily decreasing the speed at which blocks are added to a blockchain until the next scheduled adjustment in difficulty for block solutions) or otherwise be possible for a bad actor to manipulate a blockchain and hinder transactions. Any reduction in confidence in the confirmation process or processing power of the Ethereum blockchain may adversely affect an investment in the Fund. Another risk of the Ethereum blockchain moving to proof-of-stake is that segments of the mining community and other users were against this change, and it is possible that two Ethereum blockchains (among potentially others) will endure and compete going forward, which may slow or impede transactions. Such events would not have any impact on the official record of shares maintained by the Transfer Agent, although they could cause a decline in interest in the Fund among current and potential shareholders.

**Looking Ahead**

In accordance with the Fund's mandate, and in constructing the portfolio for the Fund, the Adviser aims to capture as much yield as possible for the benefit of subscribers. The Adviser will also be looking at other enhancements to the Fund that will make it more commercially flexible and to spur further adoption of it.

Jerald David

President, Arca Capital Management

***An investor should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. This and other information is available in the Fund's prospectus, which should be reviewed carefully prior to investing. To obtain a prospectus, please call 1-800-445-3148.***

Past performance is no guarantee of future results.

The statements contained herein reflect the opinions and views of the Adviser as of the date written, are subject to change without notice, may be forward-looking and/or based on current expectations, projections, and/or information currently available. Such information may not be accurate over the long-term. The information is not intended to be, nor shall it be construed as, investment advice or a recommendation of any kind.

The Fund's Annual Operating Expense Ratio, as reflected in the current prospectus is 717.63%, however the Adviser has agreed to an expense cap of 0.75% through an expense limitation agreement through April 30, 2023. For more details relating to the Fund's expenses, please review the prospectus. No assurance can be given that the Fund will achieve its investment objective.

This fund is an interval closed-end fund.

#### Fund Risks

An investment in the Fund involves risk including loss of principal. You may not have access to the money you invest for an extended period of time. • You may not be able to sell your shares at the time or in the quantity of your choosing regardless of how the Fund performs. • Investors should understand that the Fund's shares are not currently listed on or available for trading through a national securities exchange or any other exchange, and a market for trading on an exchange may never be available to investors. Except for individually negotiated peer-to-peer transactions, there is currently no secondary market for ArCoins, and no such market is expected to develop. • Because you may not be able to sell your shares at the time or in the quantity of your choosing, you may not be able to reduce your exposure to the Fund in a market downturn. • An investment in the Fund may not be suitable for investors who may need the money they invested in a specified timeframe. • The amount of any distributions the Fund may pay is uncertain. There is no assurance that the Fund will maintain a particular level of distributions, nor is there any guarantee that the Fund will make distributions at any particular time. • Due to the emerging nature of blockchain use in securities transactions, the Fund anticipates that (other than monthly repurchase offers as described below) there will initially be limited to no liquidity in ArCoins due to low or no volume in peer-to-peer transactions. Investors should therefore initially expect greater price volatility in the secondary market than would be the case if the shares had greater liquidity. • The Fund will not invest, directly or indirectly, in digital assets, including digital securities. • Although shareholders can engage in peer-to-peer transactions using blockchain technology, the Transfer Agent will maintain the official record of the Fund's shareholders.

The Fund is one of the first registered funds to offer digital asset securities and there are additional risks associated with this feature of the Fund, including regulatory risk, liquidity risk, emerging technology risk, operational and technology risk, and risks specifically associated with the Ethereum blockchain. For details regarding all of the risks described above, please review the prospectus.

Arca Capital Management, LLC serves as adviser to the Fund, distributed by UMB Distribution Services, LLC ("UMB"), Member FINRA/SIPC. The Adviser and UMB are not affiliated.

**Arca U.S. Treasury Fund**  
**PORTFOLIO REVIEW (Unaudited)**  
**December 31, 2022**

The Fund's performance figures\* for the periods ended December 31, 2022, compared to its benchmark:

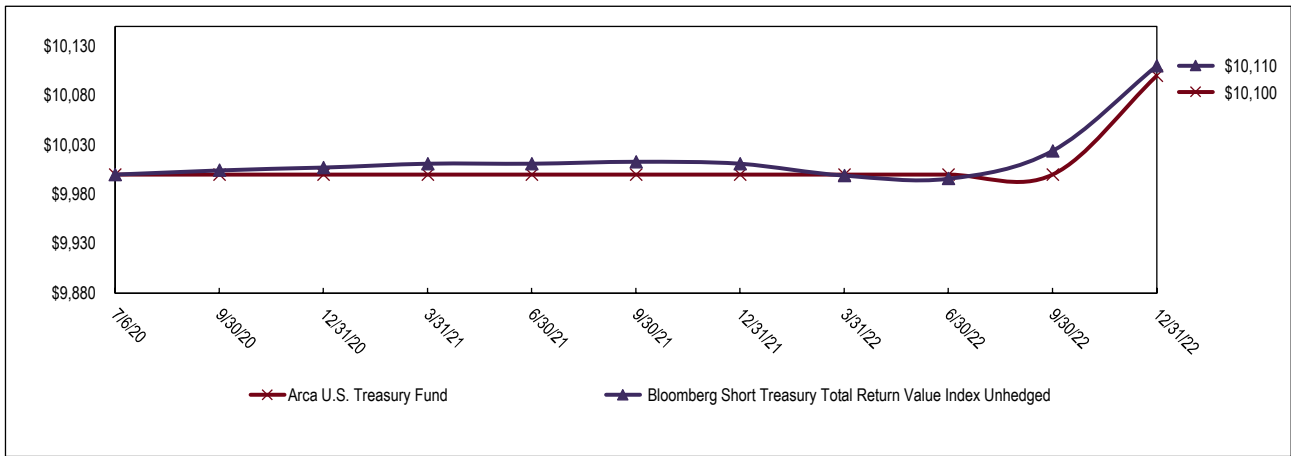
	One Year	Annualized Since Inception (a)
Arca U.S. Treasury Fund	1.00%	0.40%
Bloomberg Short Treasury Total Return Value Index Unhedged**	0.99%	0.44%

(a) Inception date is July 6, 2020.

\* The performance data quoted is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Had the Adviser not waived fees and reimbursed expenses, the Fund's total return would have been lower. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemptions of Fund shares. The Fund's estimated total annual fund operating expense ratio, after application of the expense limitation agreement, is 0.85% per the Fund's Prospectus dated April 30, 2022. Had the Adviser not waived fees and reimbursed expenses, the total expense ratio would have been higher. For performance information current to the most recent month-end, please call 1-877-445-3148.

\*\* Bloomberg Short Treasury Total Return Value Index Unhedged is a measure of the performance of the U.S. Treasury bills, notes, and bonds under one year to maturity. Investors cannot invest directly into an index. Index returns are gross of any fees, brokerage commissions or other expenses of investing.

**Comparison of Change in Value of a \$10,000 Investment**  
 Since Inception July 6, 2020 through December 31, 2022



<b>Holdings by type of investment</b>	
Short Term Investments:	
U.S. Government & Agencies	
Money Market Fund	
Liabilities in Excess of Other Assets	

<b>% of Net Assets</b>	
	98.5%
	18.4%
	(16.9)%
	100.0%

Please refer to the Schedule of Investments that follows in this annual report for a detail of the Fund's holdings.

**ARCA U.S. TREASURY FUND  
SCHEDULE OF INVESTMENTS  
December 31, 2022**

<u>Principal Amount (\$)</u>		<u>Yield Rate (%)</u>	<u>Maturity</u>	<u>Fair Value</u>
	<b>SHORT-TERM INVESTMENTS — 116.9%</b>			
	<b>U.S. GOVERNMENT &amp; AGENCIES — 98.5%</b>			
	<b>U.S. TREASURY BILLS — 98.5%</b>			
250,000	United States Treasury Bill <sup>(a)</sup>	4.24	03/30/23	\$ 247,443
121,000	United States Treasury Bill <sup>(a)</sup>	4.59	06/29/23	118,324
	<b>TOTAL U.S. GOVERNMENT &amp; AGENCIES (Cost \$365,635)</b>			<u>365,767</u>
	<b>MONEY MARKET FUND - 18.4%</b>			
68,414	Fidelity Treasury Portfolio, Class I, 4.13% (Cost \$68,414) <sup>(b)</sup>			<u>68,414</u>
	<b>TOTAL SHORT-TERM INVESTMENTS (Cost \$434,049)</b>			<u>434,181</u>
	<b>TOTAL INVESTMENTS - 116.9% (Cost \$434,049)</b>			\$ 434,181
	<b>LIABILITIES IN EXCESS OF OTHER ASSETS - (16.9)%</b>			<u>(62,715)</u>
	<b>NET ASSETS - 100.0%</b>			<u>\$ 371,466</u>

<sup>(a)</sup> Zero coupon bond.

<sup>(b)</sup> Rate disclosed is the seven day effective yield as of December 31, 2022.



*Arca U.S. Treasury Fund*  
**STATEMENT OF ASSETS AND LIABILITIES**  
**December 31, 2022**

**ASSETS**

Investment securities:		
At cost	\$	434,049
At fair value	\$	434,181
Receivable due from Adviser		108,151
Interest receivable		179
<b>TOTAL ASSETS</b>		<b>542,511</b>

**LIABILITIES**

Accrued legal fees		76,070
Accrued audit and tax fees		44,700
Accrued professional fees		31,050
Accrued administration fees		12,556
Accrued expenses and other liabilities		6,669
<b>TOTAL LIABILITIES</b>		<b>171,045</b>

**NET ASSETS**

**\$ 371,466**

**Net Assets Consist Of:**

Paid in capital (\$0 par value, 100,000,000 shares authorized)	\$	368,124
Accumulated deficit		3,342

**NET ASSETS**

**\$ 371,466**

**Net Asset Value Per Share:**

Net Assets	\$	371,466
Shares of beneficial interest outstanding (\$0 par value, 100,000,000 shares authorized)		<b>368,620</b>
Net asset value (Net Assets ÷ Shares Outstanding)	\$	<b>1.01</b>

*Arca U.S. Treasury Fund*  
**STATEMENT OF OPERATIONS**  
**For the Year Ended December 31, 2022**

<b>INVESTMENT INCOME</b>	
Interest	\$ 5,840
<hr/>	
<b>EXPENSES</b>	
Investment advisory fees	175
Blockchain administration fee	699
Legal fees	231,726
Administrative services fees	74,922
Compliance officer fees	45,990
Audit and tax fees	42,126
Trustees fees and expenses	31,291
Transfer agent fees	27,389
Registration fees	27,291
Custodian fees	19,830
Printing and postage expenses	10,199
Other expenses	91
<b>TOTAL EXPENSES</b>	511,729
Less: Fees waived/reimbursed by the Adviser	(509,102)
<b>NET EXPENSES</b>	2,627
<b>NET INVESTMENT INCOME</b>	3,213
<b>NET REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS</b>	
Net realized loss on:	
Investments	(2)
Net change in unrealized appreciation on:	
Investments	132
<b>NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS</b>	130
<b>NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS</b>	\$ 3,343

**Arca U.S. Treasury Fund**  
**STATEMENTS OF CHANGES IN NET ASSETS**

	Year Ended December 31, 2022	Year Ended December 31, 2021
<b>FROM OPERATIONS</b>		
Net investment income/(loss)	\$ 3,213	\$ (161)
Net realized loss from investments	(2)	(1)
Net change in unrealized appreciation/(depreciation) on investments	132	(6)
Net increase/(decrease) in net assets resulting from operations	<u>3,343</u>	<u>(168)</u>
<b>FROM SHARES OF BENEFICIAL INTEREST</b>		
Proceeds from shares sold:	255,000	21,000
Payments for shares redeemed:	(3,020)	(27,951)
Net increase/(decrease) in net assets from shares of beneficial interest	<u>251,980</u>	<u>(6,951)</u>
<b>TOTAL INCREASE/(DECREASE) IN NET ASSETS</b>	255,323	(7,119)
<b>NET ASSETS</b>		
Beginning of year/period	116,143	123,262
End of year/period	<u>\$ 371,466</u>	<u>\$ 116,143</u>
<b>SHARE ACTIVITY</b>		
Shares sold	255,000	21,000
Shares redeemed	(3,010)	(28,001)
Net increase/(decrease) in shares of beneficial interest outstanding	<u>251,990</u>	<u>(7,001)</u>

**Arca U.S. Treasury Fund**  
**FINANCIAL HIGHLIGHTS**

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout each Year/Period

	Year Ended December 31, 2022	Year Ended December 31, 2021	Period* Ended December 31, 2020
Net asset value, beginning of year/period	\$ 1.00	\$ 1.00	\$ 1.00
Activity from investment operations:			
Net investment income/(loss) (1)	0.01	(0.00) (2)	(0.00) (2)
Net realized and unrealized gain/(loss) on investments (2)	(0.00)	(0.00)	0.00
Total from investment operations	0.01	(0.00)	0.00
Net asset value, end of year/period	\$ 1.01	\$ 1.00	\$ 1.00
Total return (3)	1.00%	0.00%	0.00% (9)
Net assets, end of year/period (000's)	\$ 371	\$ 116	\$ 123
Ratio of gross expenses to average net assets (4,7)	146.10%	717.53%	1404.93% (5)
Ratio of net expenses to average net assets (4,8)	0.75%	0.19% (10)	0.75% (5)
Ratio of net investment income/(loss) to average net assets (4)	0.92%	(0.13)%	(0.64)% (5)
Portfolio Turnover Rate	0%	0%	0% (6)

\* The Arca U.S. Treasury Fund commenced operations on July 6, 2020.

(1) Per share amounts calculated using the average shares method, which more appropriately presents the per share data for the year/period.

(2) Less than \$0.005.

(3) Total returns are historical and assume changes in share price and reinvestment of dividends and distributions. Total returns for periods of less than one year are not annualized. Total returns would be lower absent fee waivers.

(4) Does not include the expenses of other investment companies in which the Fund invests, if any.

(5) Annualized.

(6) Not Annualized.

(7) Represents the ratio of expenses to average net assets absent of fee waivers and/or expense reimbursements by the Advisor.

(8) Represents the ratio of expenses to average net assets inclusive of fee waivers and/or expense reimbursements by the Advisor.

(9) Represents total return based on net asset values per share from commencement of investment operations on July 6, 2020 through December 31, 2020.

(10) Includes voluntary waiver from the Advisor. Without this additional voluntary waiver, the net expense ratio would have been 0.75% for the year ended December 31, 2021.

# Arca U.S. Treasury Fund

## NOTES TO FINANCIAL STATEMENTS

### December 31, 2022

#### 1. ORGANIZATION

Arca U.S. Treasury Fund (the “Fund”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a diversified, closed-end management investment company. The Fund engages in a continuous offering of shares. The Fund operates as an interval fund pursuant to Rule 23c-3 under the 1940 Act and, pursuant to an Exemptive Order issued by the Securities and Exchange Commission (the “SEC”) on October 20, 2020, offers monthly repurchases of shares at net asset value. The Fund’s investment adviser is Arca Capital Management, LLC. (the “Adviser”). The Fund commenced operations on July 6, 2020.

The investment objective of the Fund is to seek maximum total return consistent with preservation of capital.

The Fund’s shares (“ArCoins” or “shares”) are available for purchase and can be transferred in peer-to-peer transactions on Ethereum, an open, public, distributed ledger that is secured using cryptography (referred to as a “blockchain”). Ethereum records transactions between two parties in a verifiable and permanent way, referred to as “immutability.” There are no share certificates and, because the shares can be transferred in peer-to-peer transactions using Ethereum’s blockchain technology, the shares are characterized herein as “digital securities.” Please refer to the Fund’s registration statement for additional information, including the costs and risks of effecting transactions on Ethereum and other risks associated with investing in the Fund (see “Peer-to-Peer Transactions,” “About the Digital Securities” and “Risks of Digital Securities”).

#### 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by the Fund in preparation of its financial statements. The policies are in conformity with U.S. generally accepted accounting principles in the United States of America (“U.S. GAAP”). The preparation of the financial statements requires 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 the reported amounts of income and expenses for the period. Actual results could differ from those estimates. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standard Codification Topic 946 “Financial Services – Investment Companies”.

**Securities Valuation** – Securities listed on an exchange are valued at the last reported sale price at the close of the regular trading session of the exchange on the business day the value is being determined, or in the case of securities listed on NASDAQ at the NASDAQ Official Closing Price. In the absence of a sale, such securities shall be valued at the mean between the current bid and ask prices on the primary exchange on the day of valuation. Debt securities, including U.S. government obligation (other than short-term obligations) are valued each day by an independent pricing service based on methods which include consideration of: yields or prices of securities of comparable quality, coupon, maturity and type, indications as to values from dealers, and general market conditions or market quotations from a major market maker in the securities. The independent pricing service does not distinguish between smaller-sized bond positions known as “odd lots” and larger institutional-sized bond positions known as “round lots”. The Fund may fair value a particular bond if the adviser does not believe that the round lot value provided by the independent pricing service reflects fair value of the Fund’s holding. Short-term debt obligations having 60 days or less remaining until maturity, at the time of purchase, may be valued at amortized cost which approximates fair value.

**Valuation of Underlying Funds** - The Fund may invest in portfolios of open-end or closed-end investment companies (the “Underlying Funds”). The Underlying Funds value securities in their portfolios for which market quotations are readily available at their market values (generally the last reported sale price) and all other securities and assets at their fair value according to the methods established by the board of directors of the Underlying Funds.

Open-end investment companies are valued at their respective net asset values as reported by such investment companies. The shares of many closed-end investment companies, after their initial public offering, frequently trade at a price per share, which is different than the net asset value per share. The difference represents a market premium or market discount of such shares. There can be no assurances that the market discount or market premium on shares of any closed-end investment company purchased by the Fund will not change.

**Arca U.S. Treasury Fund**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2022**

When determining the fair value of an asset, the Adviser will seek to determine the price that it might reasonably expect to receive from the current sale of that asset in an arm's length transaction. Fair value is defined as the amount for which assets could be sold in an orderly disposition over a reasonable period of time, taking into account the nature of the asset. Fair value determinations are based upon all available factors that the Adviser and the Board deem relevant. Fair value pricing, however, involves judgments that are inherently subjective and inexact, since fair valuation procedures are used only when it is not possible to be sure what value should be attributed to a particular asset or when an event will affect the market price of an asset and to what extent. As a result, fair value pricing may not reflect actual market value, and it is possible that the fair value determined for a security will be materially different from the value that actually could be or is realized upon the sale of that asset.

The Fund utilizes various methods to measure the fair value of all of their investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of input are:

**Level 1** – Unadjusted quoted prices in active markets for identical assets and liabilities that the Fund has the ability to access.

**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, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

**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 would be 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. 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 instruments 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 in its entirety.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following tables summarize the inputs used as of December 31, 2022 for the Fund's assets and liabilities measured at fair value:

Assets *	Level 1	Level 2	Level 3	Total
U.S. Government & Agencies	\$ -	\$ 365,767	\$ -	\$ 365,767
Money Market Fund	68,414	-	-	68,414
Total	\$ 68,414	\$ 365,767	\$ -	\$ 434,181

\* Refer to the Schedule of Investments for classification.

The Fund did not hold any Level 3 securities during the year ended December 31, 2022. There were no transfers between levels.

**Security Transactions and Investment Income** – Security transactions are accounted for on trade date basis. Interest income is recognized on an accrual basis. Discounts are accreted and premiums are amortized on securities purchased over the lives of the respective securities. Dividend income is recorded on the ex-dividend date. Realized gains or losses from sales of securities are determined by comparing the identified cost of the security lot sold with the net sales proceeds.

**Arca U.S. Treasury Fund**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2022**

**Dividends and Distributions to Shareholders** – Dividends from net investment income are declared and distributed quarterly. Distributions from net realized capital gains are declared and distributed annually. Dividends from net investment income and distributions from net realized gains are recorded on ex-dividend date and determined in accordance with federal income tax regulations, which may differ from U.S. GAAP. These “book/tax” differences are considered either temporary (i.e., deferred losses, capital loss carry forwards) or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the composition of net assets based on their federal tax-basis treatment. Temporary differences do not require reclassification.

**Federal Income Taxes** – It is the Fund’s policy to qualify as a regulated investment company by complying with the provisions of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its taxable income and net realized gains to shareholders. Therefore, no federal income tax provision has been recorded.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has analyzed the Fund’s tax positions and has concluded that no liability for unrecognized tax benefits related to uncertain tax positions should be recorded for open tax years ended December 31, 2020 and December 31, 2021, or is expected to be taken in the Fund’s December 31, 2022 year-end tax returns. The Fund identifies its major tax jurisdictions as U.S. Federal and foreign jurisdictions where the Fund makes significant investments. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

**Indemnification** – The Trust indemnifies its officers and Trustees for certain liabilities that may arise from the performance of their duties to the Trust. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnities. The Fund’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund expects risk of loss due to these warranties and indemnities to be remote.

### **3. INVESTMENT TRANSACTIONS AND ASSOCIATED RISKS**

For the year ended December 31, 2022, the aggregate purchases and sales of investments (excluding U.S. Government & Agencies and other short-term investments) were \$0 and \$0, respectively.

### **4. INVESTMENT ADVISORY AGREEMENT AND TRANSACTION WITH RELATED PARTIES**

As compensation for its services, the Fund pays to the Adviser a monthly advisory fee at an annual rate of 0.05% of its average daily net assets. For the year ended December 31, 2022, the Fund incurred \$175 of advisory fees.

The Adviser also serves as the Fund’s blockchain administrator and developer pursuant to a Blockchain Administration and Development Agreement (the “Blockchain Administration Agreement”). Under the terms of the Blockchain Administration Agreement, the Adviser is responsible for providing, or arranging for the provision of, development and administrative services necessary for the issuance of the Fund’s shares as digital securities and the on-going maintenance and administration of such digital securities. This includes, for example, coding ArCoins’ “smart contracts,” which are self-executing computer programs written to the blockchain, and maintaining and updating such code as necessary. For its services, the Adviser is paid a fee calculated at the annual rate of 0.20% of the Fund’s average daily net assets. For the year ended December 31, 2022, the Fund incurred \$699 of blockchain administration fees.

**Arca U.S. Treasury Fund**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2022**

The Adviser, pursuant to an Expense Limitation Agreement (the “Agreement”) has contractually agreed to reduce its fees and/or absorb expenses of the Fund for an initial one year period from the effective date of the agreement to ensure that Net Annual Operating Expenses (including offering expenses, but excluding any transaction fees payable by the Fund to Ethereum, taxes, interest, brokerage commissions, acquired fund fees and expenses and extraordinary expenses) will not exceed 0.75% of the Fund’s average daily net assets. For the year ended December 31, 2022, the Adviser waived fees and reimbursed expenses in the amount of \$509,102. The Agreement will allow the Adviser to recover amounts previously reimbursed for operating expenses to the Fund to the extent that the Fund’s expense ratios fall below the above indicated expense limitation. The amounts that can be recovered will be limited to the difference between the actual expense ratio and the amount of the expense limitation. Under such agreement, the Adviser can only recover such amounts for a period of up to three years. Cumulative waivers and expense reimbursements subject to the aforementioned reimbursements will expire December 31 of the following years:

2023	\$827,308
2024	\$869,364
2025	\$509,102

The distributor of the Fund is UMB Distribution Services, LLC (the “Distributor”).

**5. AGGREGATE UNREALIZED APPRECIATION AND DEPRECIATION – TAX BASIS**

The identified cost of investments in securities owned by the Fund for federal income tax purposes, and its respective gross unrealized appreciation at December 31, 2022, were as follows:

Cost for Federal Tax purposes	\$	434,049
Unrealized Appreciation	\$	132
Unrealized Depreciation		-
Tax Net Unrealized Appreciation	\$	132

**6. DISTRIBUTIONS TO SHAREHOLDERS AND TAX COMPONENTS OF CAPITAL**

There were no distributions paid during the fiscal years ended December 31, 2022, and December 31, 2021.

As of December 31, 2022, the components of accumulated earnings/ (deficit) on a tax basis were as follows:

Undistributed Ordinary Income	Undistributed Long-Term Gains	Post October Loss and Late Year Loss	Capital Loss Carry Forwards	Other Book/Tax Differences	Unrealized Appreciation/ (Depreciation)	Total Distributable Earnings/ (Accumulated Deficit)
\$ 3,213	\$ -	\$ -	\$ (3)	\$ -	\$ 132	\$ 3,342

**7. CONTROL OWNERSHIP**

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of the Fund creates presumption of control of the Fund, under Section 2(a) 9 of the 1940 Act. As of December 31, 2022, the Adviser held approximately 94.9% of the voting securities of the Fund.

**8. REPURCHASE OFFERS**

Pursuant to Rule 23c-3 under the Investment Company Act of 1940, as amended, and under the terms of an Exemptive Order issued by the SEC on October 20, 2020, the Fund offers shareholders on a monthly basis the option of redeeming shares, at net asset value, up to 5% of the shares then outstanding. There is no guarantee that shareholders will be able to sell all of the shares they desire in a quarterly repurchase offer. Limited liquidity will be provided to shareholders only through the Fund's monthly repurchases.



**Arca U.S. Treasury Fund**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**December 31, 2022**

During the year ended December 31, 2022, the Fund completed twelve monthly repurchase offers. In those offers, the Fund offered to repurchase up to 5% of the number of its outstanding shares as of the Repurchase Pricing Dates. The results of those repurchase offers were as follows:

	<b>Commencement Date</b>	<b>Repurchase Request Deadline</b>	<b>Repurchase Pricing Date</b>	<b>Net Asset Value as of Repurchase Offer Date</b>	<b>Amount Repurchased</b>	<b>Percentage of Outstanding Shares Repurchased</b>
<b>Repurchase Offer #1</b>	January 3, 2022	January 14, 2022	January 14, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #2</b>	February 1, 2022	February 14, 2022	February 14, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #3</b>	March 1, 2022	March 14, 2022	March 14, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #4</b>	April 1, 2022	April 14, 2022	April 14, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #5</b>	May 2, 2022	May 13, 2022	May 13, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #6</b>	June 1, 2022	June 14, 2022	June 14, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #7</b>	July 1, 2022	July 15, 2022	July 15, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #8</b>	August 1, 2022	August 12, 2022	August 12, 2022	\$ 1.00	\$ 1,000	0.27%
<b>Repurchase Offer #9</b>	September 1, 2022	September 14, 2022	September 14, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #10</b>	October 3, 2022	October 14, 2022	October 14, 2022	\$ 1.00	\$ -	0.00%
<b>Repurchase Offer #11</b>	November 1, 2022	November 14, 2022	November 14, 2022	\$ 1.00	\$ 1,010	0.27%
<b>Repurchase Offer #12</b>	December 1, 2022	December 14, 2022	December 14, 2022	\$ 1.01	\$ 1,010	0.27%

**9. SUBSEQUENT EVENTS**

Subsequent events after the date of the Statement of Assets and Liabilities have been evaluated through the date the financial statements were issued. Management has determined that no events or transactions occurred requiring adjustment or disclosure in the financial statements.

## Report of Independent Registered Public Accounting Firm

Shareholders and Board of Trustees  
Arca U.S. Treasury Fund

### Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Arca U.S. Treasury Fund (the Fund), including the schedule of investments, as of December 31, 2022, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the related notes to the financial statements (collectively, the financial statements), and the financial highlights for each of the two years in the period then ended and for the period from July 6, 2020 (commencement of operations) through December 31, 2020. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of December 31, 2022, the results of its operations for the year then ended, the changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the two years in the period then ended and for the period from July 6, 2020 (commencement of operations) through December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2022, by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ RSM US LLP

We have served as the auditor of one or more Arca Capital Management, LLC advised investment companies since 2019.

Denver, Colorado  
February 21, 2023

**Arca U.S. Treasury Fund**  
**SUPPLEMENTAL INFORMATION (Unaudited)**  
**December 31, 2022**

At an in-person meeting of the Trust's Board of Trustees held on May 17, 2022, the Board, including a majority of the members of the Board who are not "interested persons" of the Trust, as that term is defined in section 2(a)(19) of the Investment Company Act of 1940, as amended (the "Independent Trustees"), approved a proposed advisory agreement (the "Advisory Agreement") between Arca Capital Management, LLC (the "Adviser") and the Trust on behalf of the Arca U.S. Treasury Fund (the "Fund"). The Board took note of relevant judicial precedent and regulations adopted by the SEC setting forth factors to be considered by a board when evaluating investment advisory agreements including, among other matters: (i) the nature, extent, and quality of the services to be provided to the Fund; (ii) the investment performance of the Fund and the Adviser; (iii) the costs of the services to be provided and profits to be realized by the Adviser and its affiliates from the relationship with the Fund; (iv) the extent to which economies of scale would be realized as the Fund grows; and (v) whether fee levels reflect these economies of scale for the benefit of the Fund's investors.

In advance of the meeting, the Adviser provided certain information related to the proposed advisory agreement, as well as the Adviser's personnel, policies, resources and strategy. In addition, the Board noted that the evaluation process with respect to the Adviser is and will continue to be on-going. For example, the Board recognized that, at its regularly scheduled meetings, it will receive and be asked to consider information regarding, among other things, the performance of the Fund and investment, compliance and marketing services provided by the Adviser to the Fund.

*Nature, Extent and Quality of Services.* The Board reviewed materials provided by the Adviser related to the Advisory Agreement with the Fund, including an overview of the staff and organizational structure of the Adviser and its affiliates and the personnel that perform services for the Fund. The Board considered Part 1A of the Adviser's Form ADV and its compliance policies and procedures, select financial information of the Adviser, the portfolio management personnel and their experience and background, and the Adviser's description of its role in the oversight of other service providers to the Fund.

In reaching their conclusions, the Board considered that the Adviser is staffed by experienced personnel that have experience in structuring and operating other registered investment companies and in managing and overseeing the effective operation of other service providers. The Board also considered that the Fund's primary investment objective is to invest in short-term U.S. Treasury securities, and that the operation of such a portfolio appears to be within the capabilities of the investment personnel employed by the Adviser.

In addition to investment advisory services, the Board considered the nature and quality of the administrative and other non-investment advisory services provided to the Fund. The Board considered that the Adviser or its affiliates provide the Fund with certain administrative and technology development services and also oversee third parties that provide such services or provide support in the operation of such services that are necessary to enable the Fund's shares to be issued in digital format. The Board also considered that the Adviser is aware of the operational risks presented by offering shares of the Fund as digital securities, and the Board concluded that the Adviser was engaging a sufficient range of technologically proficient personnel and supporting technology and service providers to develop and carry out this critical function. The Board then concluded that the Adviser demonstrated that it had sufficient quality and depth of personnel, resources, management experience and compliance policies and procedures to perform its duties under the Advisory Agreement and that the nature, overall quality and extent of the management services provided by the Adviser were satisfactory. The Board also considered that such services are not associated with or duplicative of any other services provided to the Fund by other third parties.

*Performance.* In considering the Fund's performance, the Board noted that it reviewed at its regularly scheduled meetings information about the Fund's performance results. Among other data, the Board considered the performance of the Fund for the one-year and since inception periods ended March 31, 2022, as compared to the performance of a group of peer funds (the "Peer Group") provided by the Adviser including other registered investment funds that invest primarily in short-term U.S. treasury securities. The Board found that the returns of the Peer Group and that of the Fund were approximately the same, and were also consistent with the Fund's benchmark index, the Bloomberg Barclays Short Treasury Total Return Value Index Unhedged. The Board concluded that the Fund's performance returns were satisfactory.

**Arca U.S. Treasury Fund**  
**SUPPLEMENTAL INFORMATION (Unaudited)(Continued)**  
**December 31, 2022**

*Fees and Expenses.* Regarding the costs of the services provided by the Adviser with respect to the Fund, the Board considered a comparison of the Fund's contractual advisory fee and net expense ratio to those of the funds within the Peer Group and its benchmark. The Board noted that the Fund's contractual advisory fee was at the top end of the range of the identified Peer Group, but that the Fund is the only fund in the Peer Group that issues its securities as digital assets. The Board noted that the Fund also pays an affiliate of the Adviser for blockchain administration and development services. The Board considered that the Adviser stated in its written response that the nature of the Fund's portfolio and the unique structure of the Fund as a registered fund issuing digital asset securities deem the total advisory fee rate reasonable. The Board also acknowledged that the Fund is not profitable to the Adviser and the Adviser is reimbursing Fund expenses to keep the Fund's total expense ratio at 0.75%, which is the highest in the Peer Group. The Board also considered the sophistication of the portfolio management with respect to the Fund's strategy and, based on the factors above, the Board concluded that the advisory fee of the Fund was within a range that could have been the product of arms length bargaining.

*Profitability.* The Board considered the Fund's profitability and whether these profits were reasonable in light of the services provided to the Fund. The Board reviewed a profitability analysis prepared by the Adviser based on current asset levels of the Fund as well as the fact that the Fund is not yet profitable for the Adviser. Thus, the Board concluded that the Adviser's profitability, if any, from its relationship with the Fund, after taking into account a reasonable allocation of costs, was not excessive.

*Economies of Scale.* The Board considered whether the Fund would realize economies of scale with respect to its management of the Fund as the Fund grows and whether fee levels reflected these economies of scale for the benefit of shareholders. The Board considered the profitability analysis provided by the Adviser and the Adviser's discussion of the same, including both direct and indirect costs borne by the Adviser in managing the Fund. The Board noted in consultation with the Adviser that it would revisit whether economies of scale exist in the future once the Fund has achieved sufficient size.

*Other Benefits.* The Board also considered the character and amount of any other direct and incidental benefits to be received by the Adviser from its association with the Fund. The Board considered that the Adviser did not currently receive any direct, indirect or ancillary material "fall-out" benefits from its relationship with the Fund but noted the intent of the Affiliate and its adviser to enter into certain arrangements with the Bermuda insurance company, that could provide certain fall out benefits to the Adviser and its affiliates. The Board noted that it would continue to monitor the existence of any fall-out benefits.

*Conclusion.* The Board, having requested and received such information from the Adviser as it believed reasonably necessary to evaluate the terms of the Advisory Agreement, and having been advised by independent counsel that the Board had appropriately considered and weighed all relevant factors, determined that renewal of Advisory Agreement for an additional one-year term was in the best interests of the Fund and its shareholders.

**Arca U.S. Treasury Fund**  
**SUPPLEMENTAL INFORMATION (Unaudited)**  
**December 31, 2022**

**Trustees and Officers**

Unless otherwise indicated in the table below, the address of each Trustee and officer of the Fund is c/o Arca Capital Management, LLC, 4151 Redwood Ave., Suite 206 Los Angeles, CA 90066. Additional information about the Trustees and officers of the Fund is provided in the table below.

**Independent Trustees**

<b>Name, Address and Age</b>	<b>Position(s) with the Fund/Term of Office</b>	<b>Principal Occupation(s) During the Past Five Years</b>	<b>Number of Portfolios in Fund Complex* Overseen by Trustee</b>	<b>Other Directorships/ Trusteeships Held During the Past Five Years</b>
Bruce H. Park, 45	Trustee since 2019	VP Treasury, Molina Healthcare (2018 - Present); Sr. Finance Consultant (Head of Treasury) Health Net Inc. (2002- 2017)	1	Director, Matrix Partners India Investments IV, LLC (2022 - Present)
Daniel A. Strachman, 50	Trustee since 2019	Managing Director, A&C Advisors LLC (corporate governance consulting for the investment management industry) (Sept. 2001 – Present); Co-Founder IMDDA, INC due diligence education company for of the hedge fund, mutual fund and private equity fund industries) Dec 2015- present; Co-Founder/Moderator, HEDGEAnswers, LLC (educational conference calls regarding alternative investments) (Jan 2007- Present); Managing Director – Head of Business Development, Apex Funds Services, Inc. (Dec. 2016 – Feb. 2018)	1	Takumi Capital Management, LP (Sept. 2014 - Present); DCIG Capital Fund, Ltd (March 2018 - Present); Glide Fund Spc Ltd and Glide Master Fund SPC Ltd (Feb. 2019 - Present); Trustee and Audit Committee Chair, Chapel Hill-Chauncy Hall School (2009-Present)
Jeffrey J. Gary, 60	Trustee since 2019	Retired. Senior Portfolio Manager, Avenue Capital (investment management firm) (Jan. 2012 – July 2018)	1	Trustee, Audit Committee Member and Valuation Committee Chair, Axonic Alternative Income Fund (Nov. 2018 – 2020); Director and Audit Committee Chair, National Holdings Corporation (Feb. 2019 – March 2020). Board of Directors and Audit Committee Chair Moneylion (September 2021 – Present); Board of Directors and CFO Fusion

**Arca U.S. Treasury Fund**  
**SUPPLEMENTAL INFORMATION (Unaudited)(Continued)**  
**December 31, 2022**

				Acquisition Corp (June 2020 – September 2021); Board of Directors and CFO Fusion Acquisition Corp II (February 2021 – January 2022); Insight Acquisition Corp Board of Directors, CEO and CFO (September 2021 – Present) Trustee Eden Autism Services (July 2021 – Present).
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**Interested Trustees**

Name, Address and Age	Position(s) with the Fund/Term of Office	Principal Occupation(s) During the Past Five Years	Number of Portfolios in Fund Complex* Overseen by Trustee	Other Directorships/ Trusteeships Held During the Past Five Years
Philip Liu, 49	Trustee, Chairman of the Board since 2019	Co-Founder and Chief Legal Officer, Praesidium Partners, Inc. (parent holding company), Arca Investment Management, Inc. (investment adviser) and Arca Capital Management (May 2018 – present); Counsel, Manatt, Phelps & Phillips, LLP (Feb. 2017 to April 2018); General Counsel, Equinox Funds (Oct. 2009 to Sept. 2016)	1	N/A

**Officers**

Name, Address and Age	Position(s) with the Fund/Term of Office	Principal Occupation(s) During the Past Five Years
Jeffrey M. Dorman, 43	Portfolio Manager and Chief Investment Officer since December 2019	Co-Founder and Chief Investment Officer, Praesidium Partners, Inc. (parent holding company), Arca Investment Management, LLC. (investment adviser) and Arca Capital Management LLC (May 2018 - present); Vice President of Business Development and Chief Operating Officer of Harvest Exchange Corp. (Nov. 2013 to April 2018)
Philip Liu, 49	Chief Executive Officer since December 2019	Chief Legal Officer, Arca Capital Management LLC (Nov. 2019 – present); Co-Founder and Chief Legal Officer, Praesidium Partners, Inc. (parent holding company) and Arca Investment Management, Inc. (investment adviser) (May 2018 – present); Counsel, Manatt, Phelps & Phillips, LLP (Feb. 2017 to April 2018); General Counsel, Equinox Funds (Oct. 2009 to Oct. 2016)
Vance Jeffery Sanders, 53	Chief Financial Officer since February 2021	President, CFO 5280, LLC (June 2018 – Present); President, Oswego Holdings, LLC & Advanced Cleaners, Inc. (Sept. 2013 – Present); Chief Financial Officer & Chief Technology Officer, Equinox Financial Group, LLC (Oct.

**Arca U.S. Treasury Fund**  
**SUPPLEMENTAL INFORMATION (Unaudited)(Continued)**  
**December 31, 2022**

		2007 – Nov. 2016); Principal Financial Executive, Equinox Funds Trust (Dec. 2010 – Nov. 2016)
Douglas N. Tyre, 42	Chief Compliance Officer since December 2019	Senior Principal Consultant, ACA Group (May 2022 – Present); Compliance Director, Foreside Group (April 2022 – May 2022); Compliance Director, Cipperman Compliance Services, LLC (“Cipperman”) (July 2019 – April 2022); Assistant Compliance Director, Cipperman (Jan. 2018 – June 2019); Manager, Cipperman (April 2014 – Dec. 2017)

<b>Name, Address and Age</b>	<b>Position(s) with the Fund/Term of Office</b>	<b>Principal Occupation(s) During the Past Five Years</b>
J. Rayne Steinberg, 43	Principal Financial Officer since December 2019	Chief Executive Officer, Arca Capital Management (Nov. 2019 – present); Co-Founder and Chief Executive Officer, Praesidium Partners, Inc. (parent holding company) and Arca Investment Management, Inc. (investment adviser) (May 2018 – present); Independent Consultant (May 2017 – May 2018); Chief Financial Officer, Plan B LLC (industrial materials company) (Nov. 2016 – May 2017); Chief Financial Officer, Fremont College (Nov. 2015 – July 2016); Financial Analyst, Ramius LLC (Jan. 2012 – April 2015); Co-Founder and E-Commerce Manager, Wisdom Tree Asset Management (2002 – 2011)
Alyssa Miller, 27	Secretary since August 2022	Associate Legal Counsel, Ultimus Fund Solutions, LLC (August 2021 – present); Student, Suffolk University School of Law (2018 – 2021)
Jesse Hallee, 46	Assistant Secretary Since August 2022	Senior Vice President and Associate General Counsel (2022 – Present); Vice President and Senior Managing Counsel, Ultimus Fund Solutions, LLC (2019 - 2022); Vice President and Managing Counsel, State Street Bank and Trust Company (2013 -2019)

\* The term “Fund Complex” refers to the Arca U.S. Treasury Fund.

The Fund’s Statement of Additional Information includes additional information about certain of the Trustees and is available free of charge, upon request, by calling toll-free at 1-800-445-3148 or by visiting [arcalabs.com](http://arcalabs.com).

## PRIVACY NOTICE

### FACTS **WHAT DOES ARCA U.S. TREASURY FUND DO WITH YOUR PERSONAL INFORMATION?**

**Why?** Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?** The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Assets
- Retirement Assets
- Transaction History
- Checking Account Information
- Purchase History
- Account Balances
- Account Transactions
- Wire Transfer Instructions

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?** All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons the Fund chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Arca U.S. Treasury Fund share?	Can you limit this sharing?
<b>For our everyday business purposes -</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureau	Yes	No
<b>For our marketing purposes –</b> to offer our products and services to you	No	We don't share
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share



**Who we are**

**Who is providing this notice?**

Arca U.S. Treasury Fund

**What we do**

**How does Arca U.S. Treasury Fund protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings

Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.

**How does Arca U.S. Treasury Fund collect my personal information?**

We collect your personal information, for example, when you

- Open an account
- Provide account information
- Give us your contact information
- Make deposits or withdrawals from your account
- Make a wire transfer
- Tell us where to send the money
- Tells us who receives the money
- Show your government-issued ID
- Show your driver's license

We also collect your personal information from other companies.

Federal law gives you the right to limit only:

- Sharing for affiliates' everyday business purposes – information about your creditworthiness
- Affiliates from using your information to market to you

- Sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

## Definitions

### Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Arca U.S. Treasury Fund does not share with our Affiliates.*

### Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial Companies

- *Arca U.S. Treasury Fund does not share with nonaffiliates so they can market to you.*

### Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Arca U.S. Treasury Fund does not jointly market.*
-

### **PROXY VOTING POLICY**

Information regarding how the Fund voted proxies relating to portfolio securities for the most recent twelve month period ended June 30 as well as a description of the policies and procedures that the Fund uses to determine how to vote proxies is available without charge, upon request, by calling 1-800-445-3148 or by referring to the SEC's website at <http://www.sec.gov>.

### **PORTFOLIO HOLDINGS**

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to Form N-PORT. Form N-PORT are available on the SEC's website at <http://www.sec.gov>. The information on Form N-PORT is available without charge, upon request, by calling 1-800-445-3148.

### **INVESTMENT ADVISER**

Arca Capital Management, LLC  
4551 Glencoe Avenue, Suite 350  
Marina del Rey, CA 90292

### **ADMINISTRATOR**

Ultimus Fund Solutions, LLC  
4221 North 203rd Street, Suite 100  
Elkhorn, NE 68022