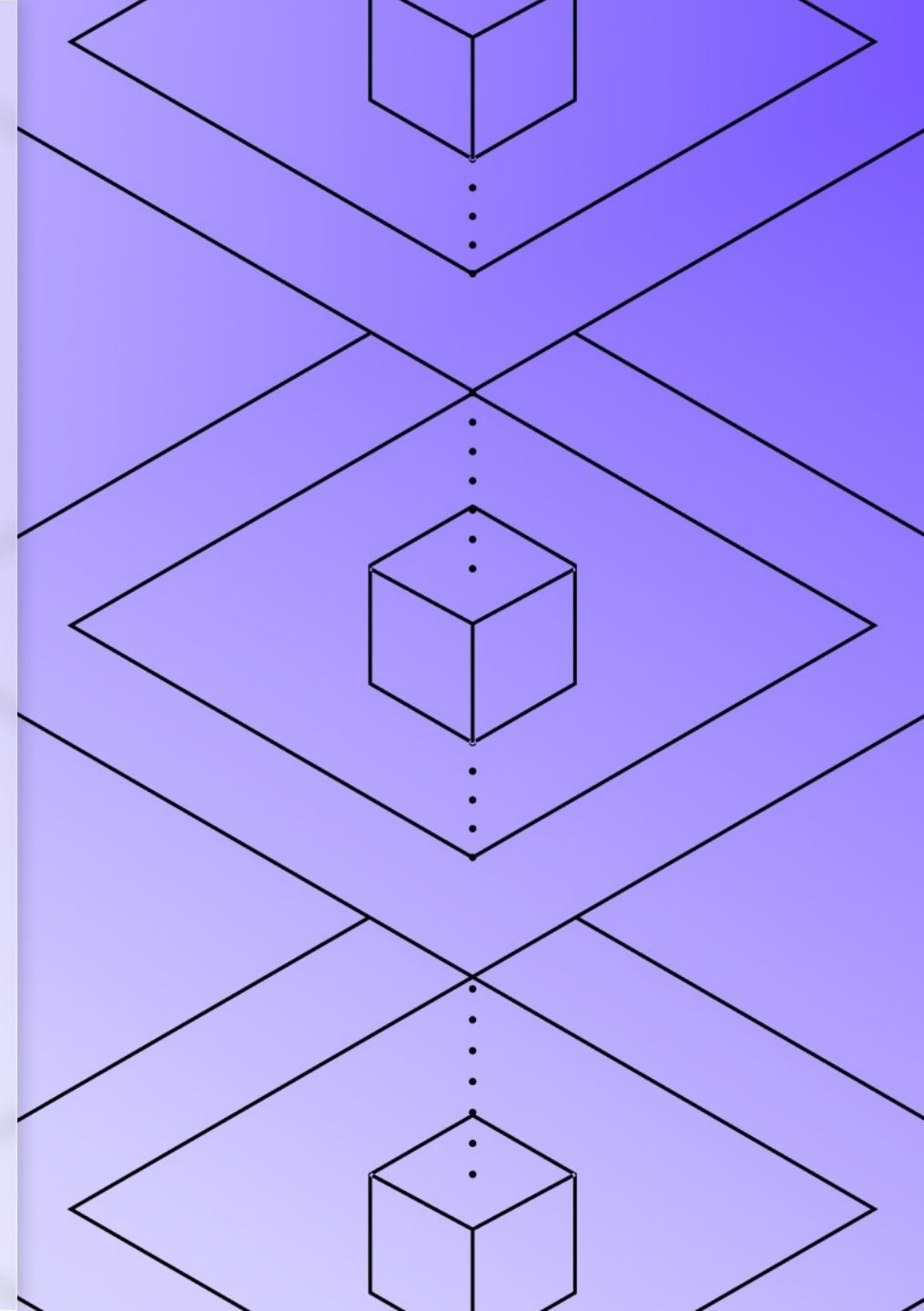




Data as of December 31, 2025

# The DeFi Quarterly

Scaling Across Trading,  
Lending, And Payments



# Important Information

This material is intended for informational and educational purposes only and does not constitute financial, investment, legal, or tax advice.

Decentralized Finance (DeFi) and stablecoins involve significant and evolving risks. While stablecoins are designed to maintain price stability, they can still lose their peg due to market volatility, liquidity imbalances, or failures in their underlying mechanisms. DeFi platforms and protocols are often experimental, exposing users to the risk of rapid and substantial financial loss due to high market volatility, low liquidity, or flawed economic design.

The technology underlying these systems—particularly smart contracts—can contain bugs, vulnerabilities, or security flaws that may be exploited. Even well-audited protocols can fail due to logic errors, implementation mistakes, or integration issues. Additionally, DeFi protocols are often governed by decentralized communities or token holders, and governance decisions—such as protocol upgrades or changes to collateral standards—can materially affect outcomes, risks, or user expectations.

Finally, the legal and regulatory environment for DeFi and stablecoins is still developing. Changes in rules or restrictions can impact how these systems operate or are accessed. Users may find themselves subject to new obligations or experience disruptions in service, depending on how and where they engage with these technologies. In many cases, there are limited or no consumer protections, meaning users may not have access to insurance, legal recourse, or recovery mechanisms if assets are lost or inaccessible.

Engaging with DeFi or stablecoins involves a high degree of risk. Individuals and institutions should carefully assess these risks, conduct thorough due diligence, and consult with appropriate professionals before making any financial decisions or commitments.

Please note that historical data shown in some of the charts presented herein may differ from prior publications. Such differences arise because certain data providers continuously refine their methodologies to improve the accuracy of on-chain metrics and we use the most current and accurate data available at the time of publication, which may lead to discrepancies between current and previously published figures.



## SECTIONS

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01      **Stablecoins, RWAs, Tokenization**

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02      **Network And Application Economics**

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03      **Decentralized Exchanges**

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04      **Lending Protocols**

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05      **Market Spotlight: Crypto Credit Cards**

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06      **Market Pulse**

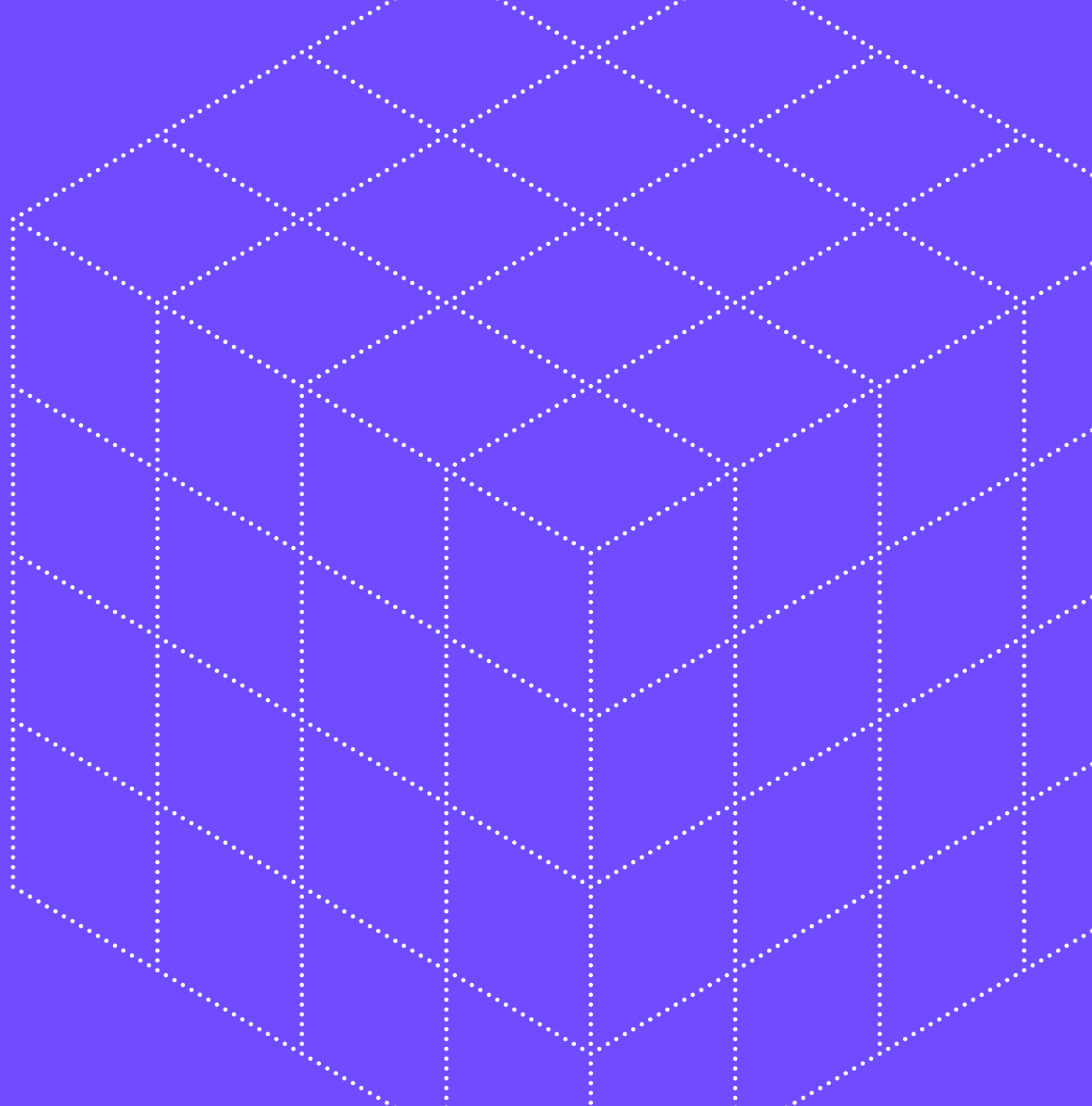
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07      **Appendix: Glossary Of Terms**

## Section 01

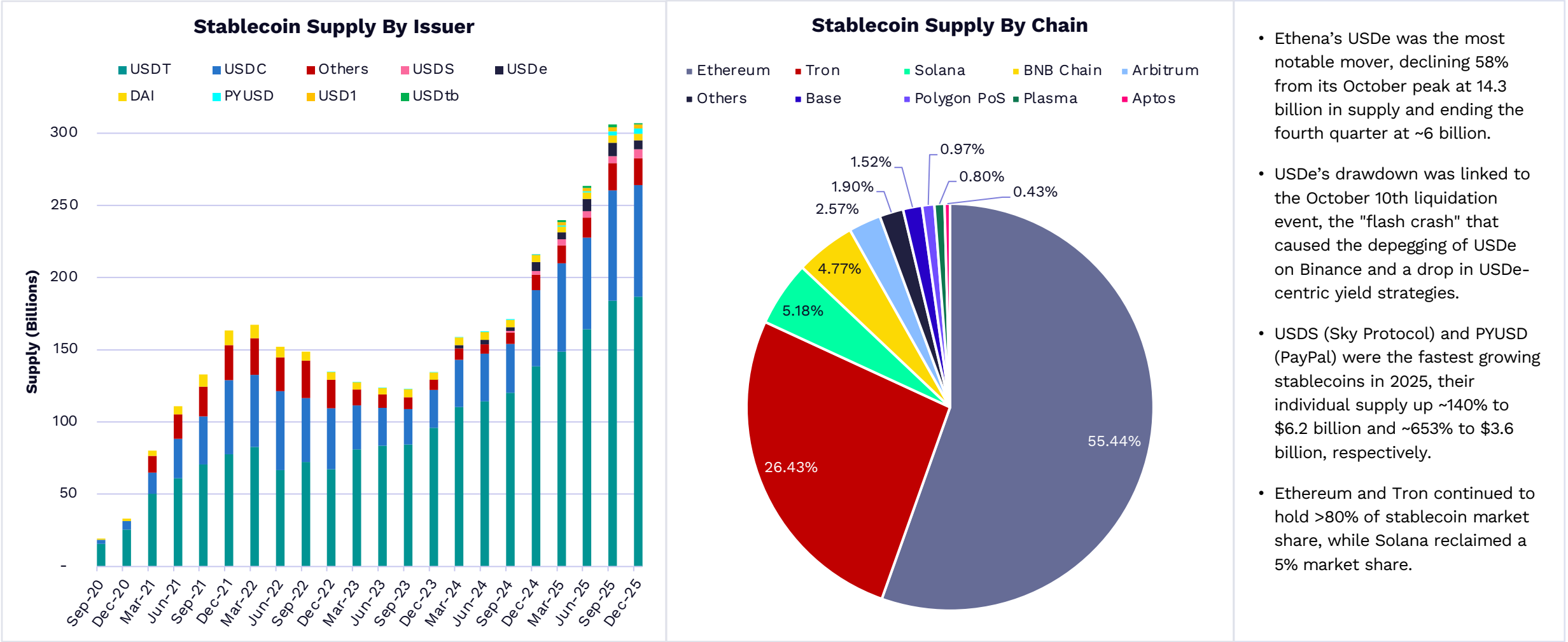
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# Stablecoins, RWAs, And Tokenization





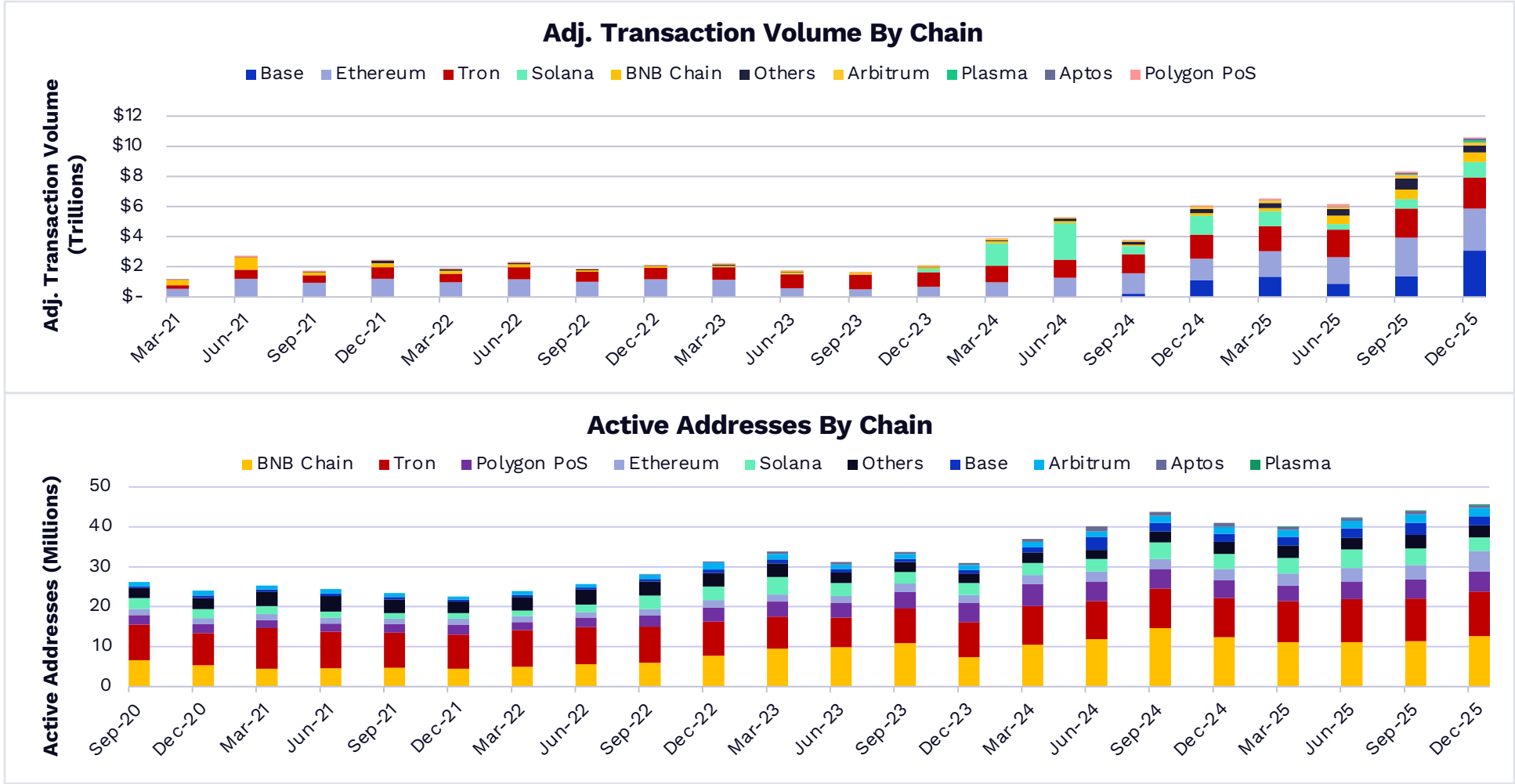
# Stablecoins Surpassed \$300 Billion By Year’s End, Though Growth Has Stalled Since The October “Flash Crash”



Source: ARK Investment Management LLC, 2025. Chart data from Artemis. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



# Base Overtook Ethereum And Tron In Stablecoin Volume As Coinbase Promoted Its “Everything Exchange”

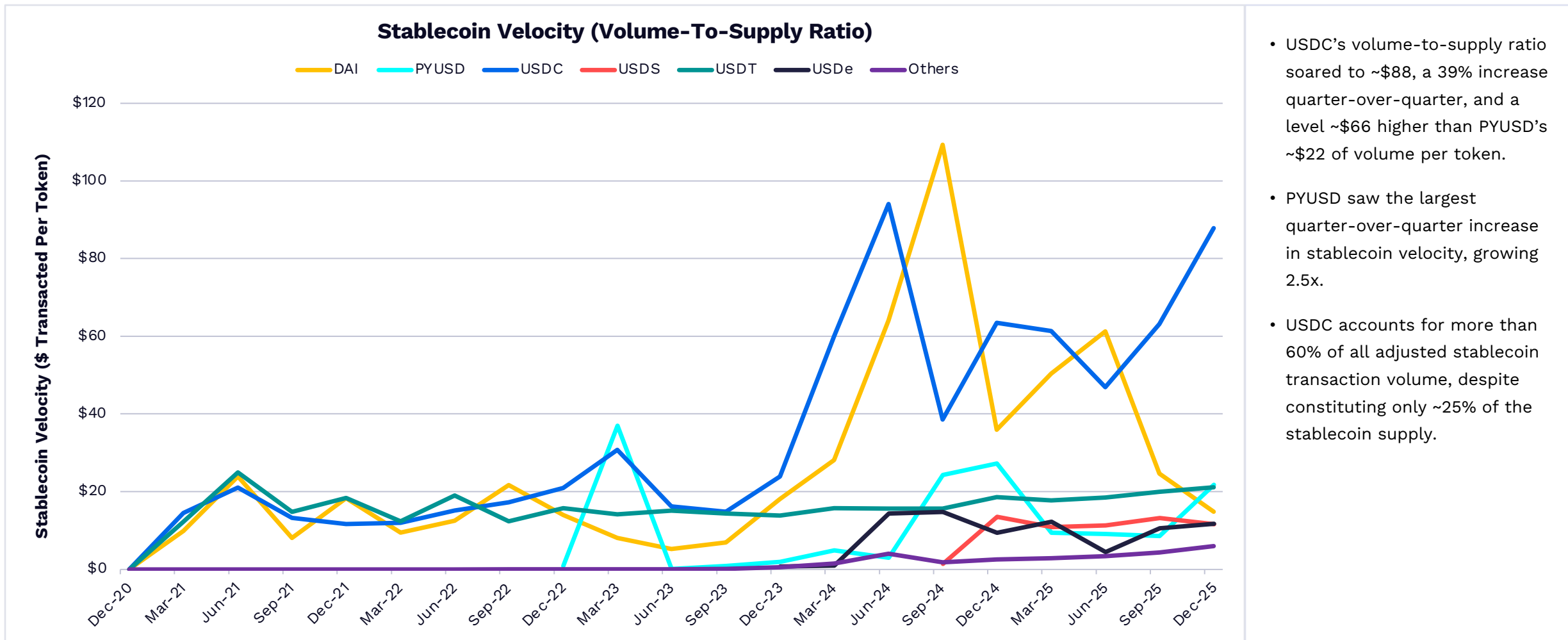


- Base finished the fourth quarter with ~\$3 trillion in stablecoin transaction volume, up ~121% quarter-over-quarter, eclipsing Ethereum and Tron, which ended with ~\$2.7 billion and ~\$2 billion, respectively.
- Ethereum and its Layer 2 ecosystem strengthened as the primary hub for stablecoin transactions, accounting for 58% of total volume, up 1,300 basis points from the third quarter.
- BNB Chain and Tron are the most active stablecoin networks as measured by number of addresses.
- Despite their quarter-over-quarter increases in stablecoin volume, Solana and Base saw declines of 17% and 23%, respectively, in the number of active addresses during the fourth quarter.

Note: We express stablecoin trading activity as “volume” on the y-axis in dollar terms. Because stablecoins are pegged 1:1 to the US dollar, trading volume (units exchanged) and trading value (USD equivalent) are identical. As a result, “volume” and “value” are used synonymously throughout the stablecoin section of this report. “Basis Point” is defined as 1/100<sup>th</sup> of a percentage point or 0.01%. We use basis points here to communicate changes in percentage values. Source: ARK Investment Management LLC, 2025. Chart data from Artemis. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



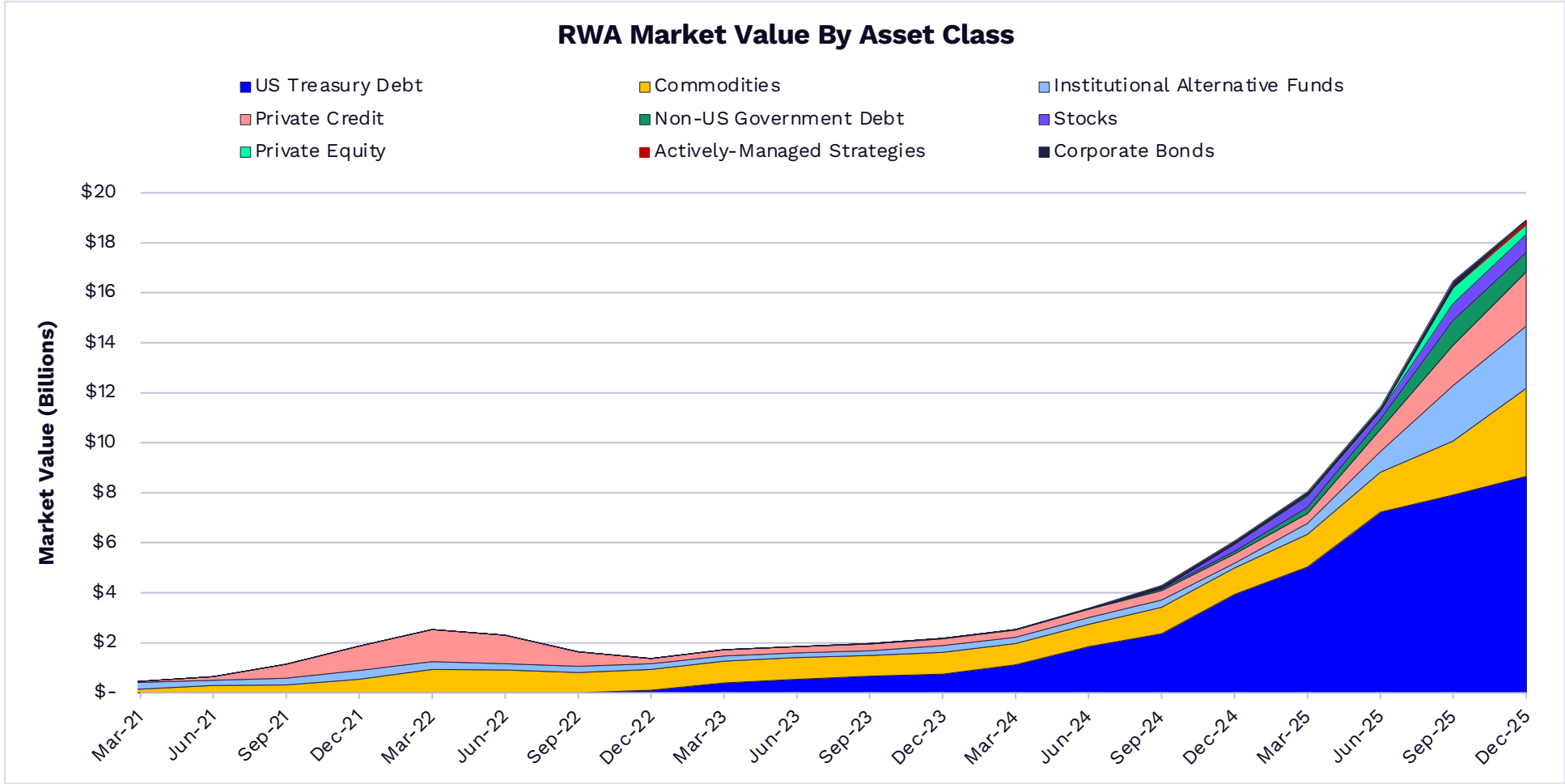
# While Coinbase Drove More Volume To Base, USDC Extended Its Lead In Usage And Volume



Source: ARK Investment Management LLC, 2025. Chart data from Artemis. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results..



# In 2025, RWAs More Than Tripled As Commodities, Institutional Funds, And Private Credit Scaled



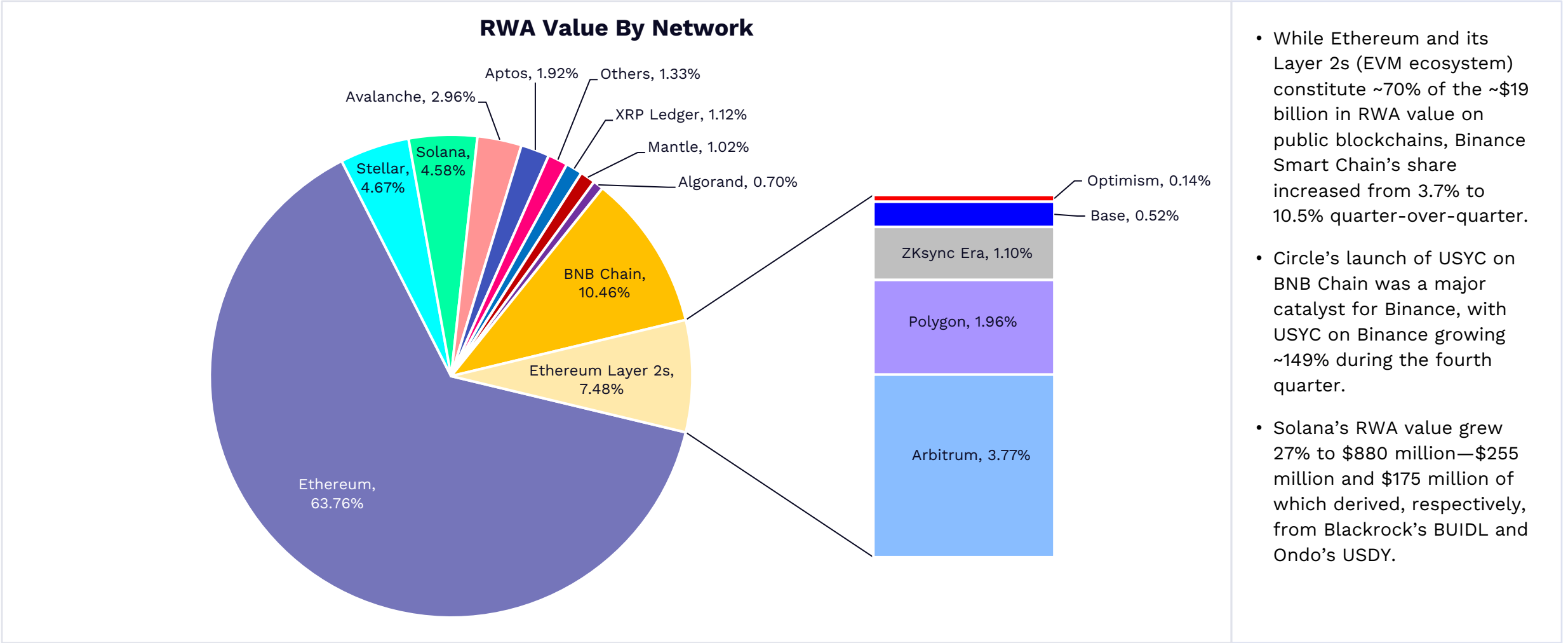
- By the end of 2025, Real World Assets (RWAs) had increased to ~\$19 billion, up 14.8% quarter-over-quarter, driven primarily by commodities.
- Tokenized commodities grew ~64% quarter-over-quarter to ~\$3.5 billion. Tokenized Gold products from Tether (XAUT) and Paxos (PAXG) dominated that increase.
- Maple Finance’s 35% quarterly increase from ~\$1.5 to ~\$2 billion drove most of the growth in Private Credit.

Note: The category “RWAs” refers to any assets that natively exist in traditional markets but are brought on-chain into crypto markets through a process known as tokenization. This includes, but is not limited to, all asset classes displayed in the above chart. Of these assets, only those that use the blockchain as a means of distribution are counted, as opposed to those using the blockchain solely as a means of record-keeping or accounting. This chart represents the total RWA value distributed between private & public blockchains globally. Source: ARK Investment Management LLC, 2025. Chart data from rwa.xyz. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.





# The Binance (BNB) Smart Chain Hosts 10% Of All RWA Value, Led By Circle’s \$1.4 Billion Money Market, USYC

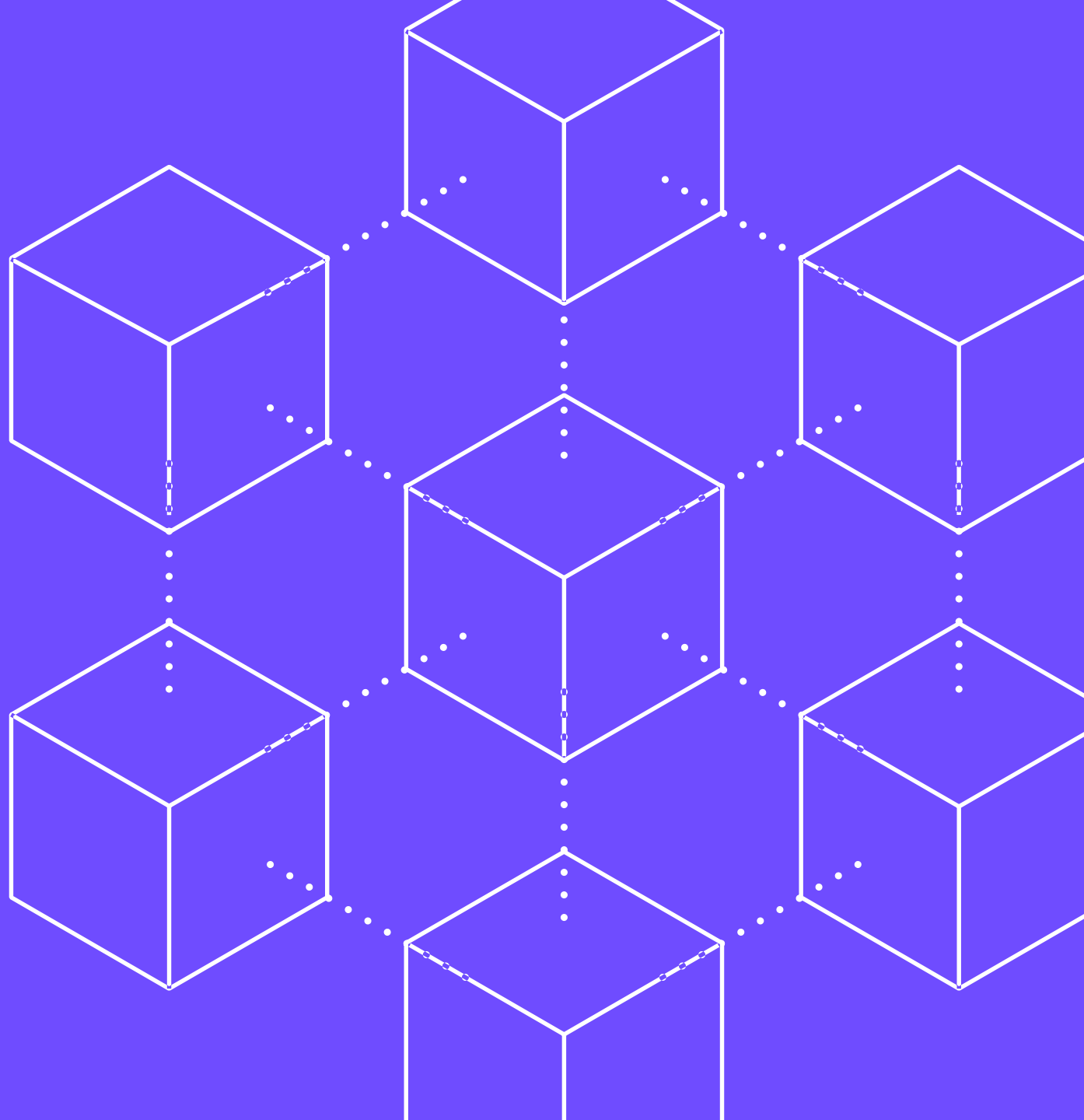


Note: This chart represents the network distribution of the RWA value on public blockchain networks. Source: ARK Investment Management LLC, 2025. Chart data from rwa.xyz. Information as of December 31, 2025. This chart represents data from public blockchains only. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

## Section 02

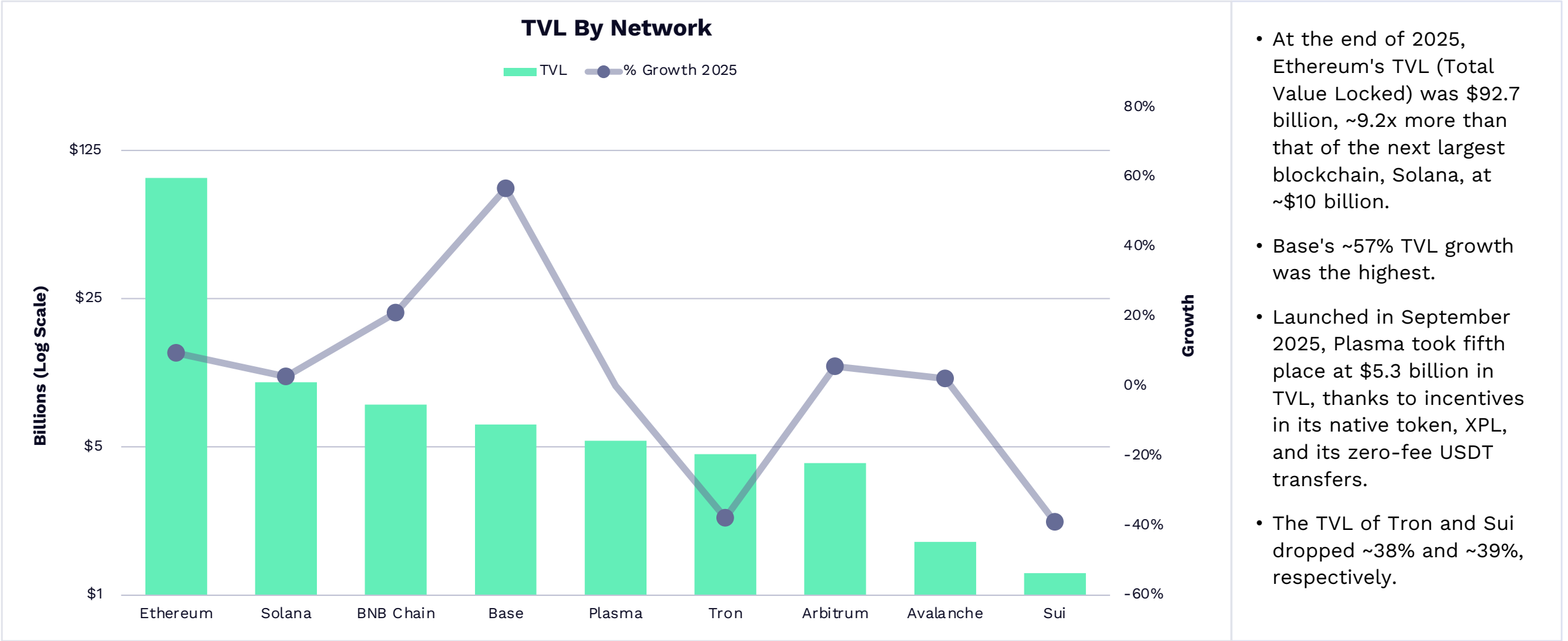
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# Network And Application Economics





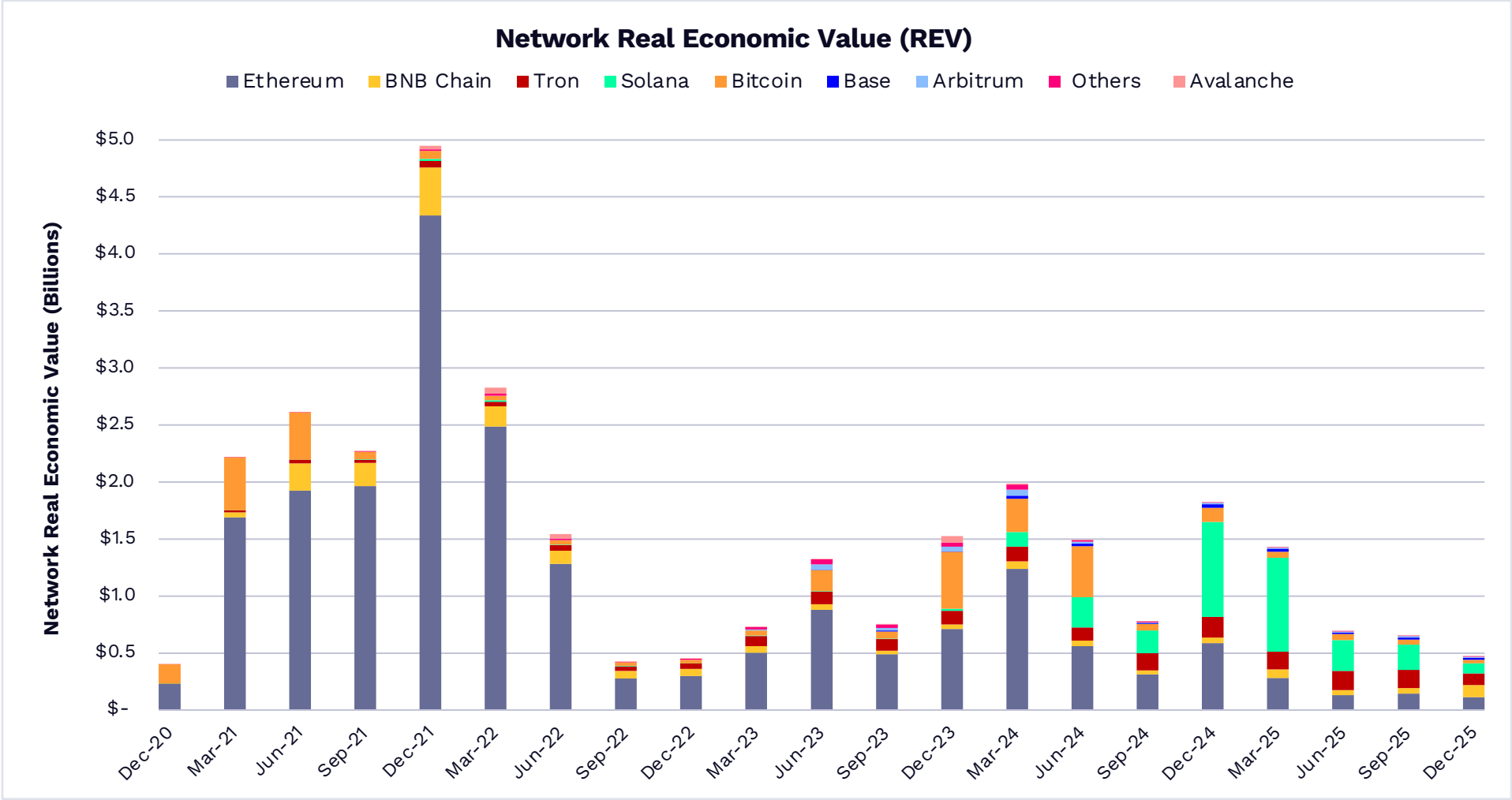
# Base And Plasma Topped All Networks In The Growth Of TVL, As Each Surpassed \$5 Billion For The First Time



Source: ARK Investment Management LLC, 2025. Chart data from Defillama. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



# Blockchain Revenue Declined To A Three-Year Low, Signaling A Shift From Fee-Based To Monetary-Based Valuations

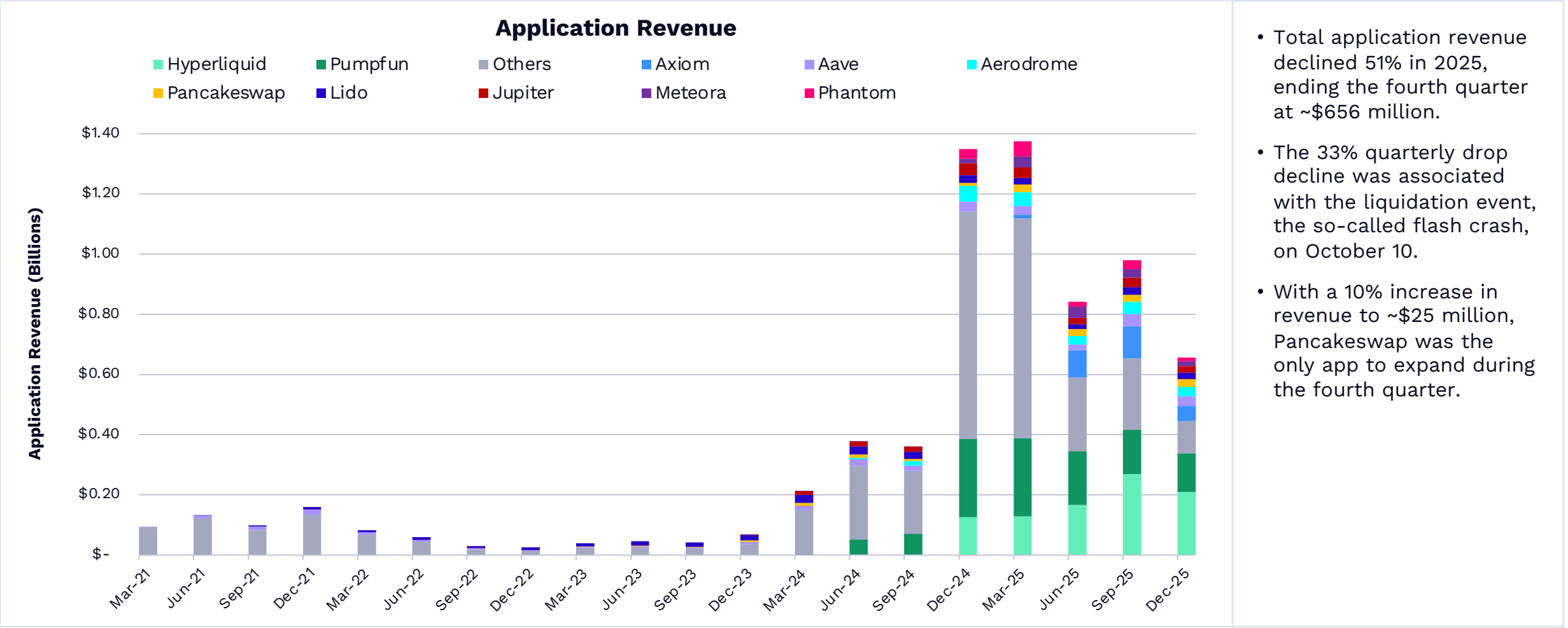


- The trend of declining blockchain revenues continued through the fourth quarter as network REV fell 27% quarter-over-quarter to ~\$473 million.
- Base and BNB Chain were the only two chains on which REVS increased quarter-over-quarter: 17.5% to ~\$19 million and ~122% to \$109 million, respectively.
- Ethereum generated ~\$111 million in the fourth quarter, the first time since the third quarter of 2024 that Ethereum’s REV exceeded that of Solana on a quarterly basis.
- Solana generated ~\$90 million during the quarter.

Source: ARK Investment Management LLC, 2025. Chart data from Blockworks Research. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



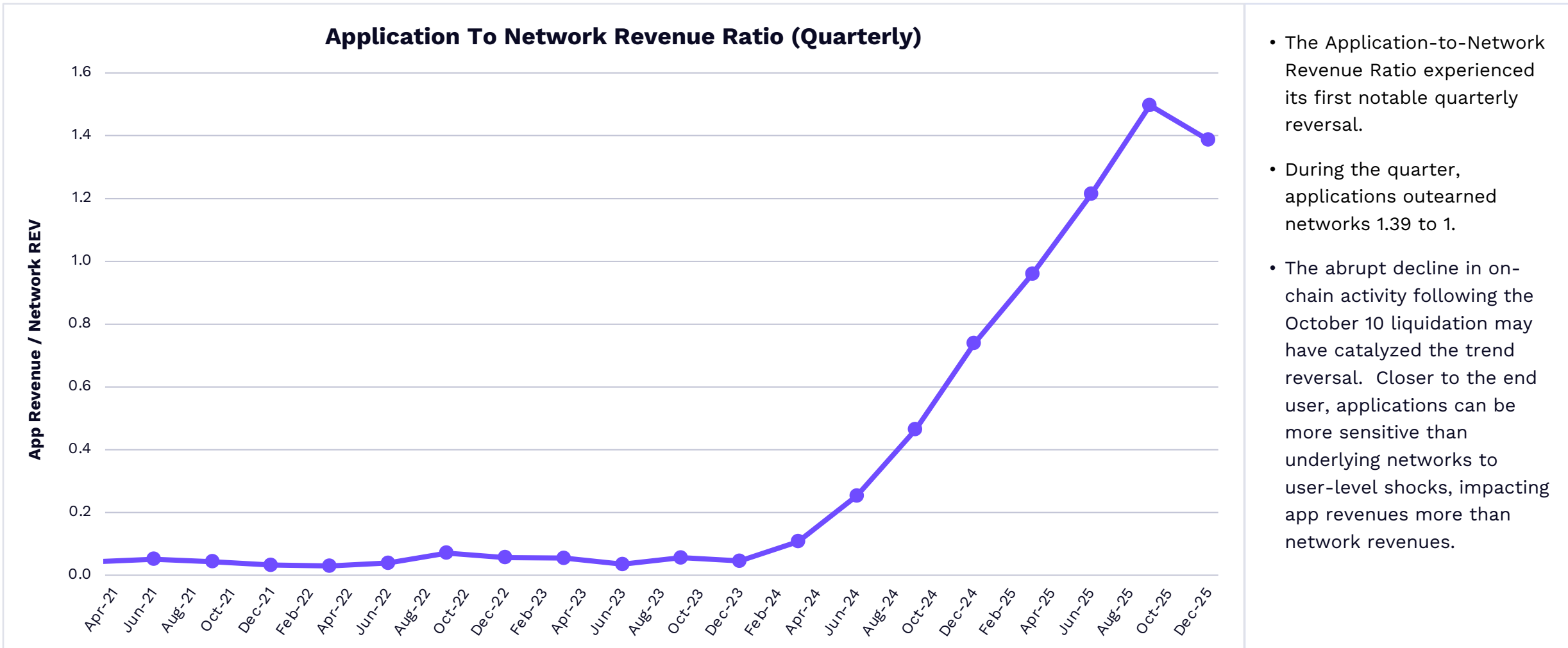
# Application Revenue Fell As Hyperliquid Approached One-Third Of All Fees Earned In The Quarter



Note: An application is a user-facing product, built on top of a blockchain (Layer 1 or Layer 2), that leverages smart contracts to provide specific financial or social functionality beyond the base ledger. Source: ARK Investment Management LLC, 2025. Chart data from Blockworks Research. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



# The Allocation Of Fees Between Applications And Networks Dipped Slightly As Activity Slowed

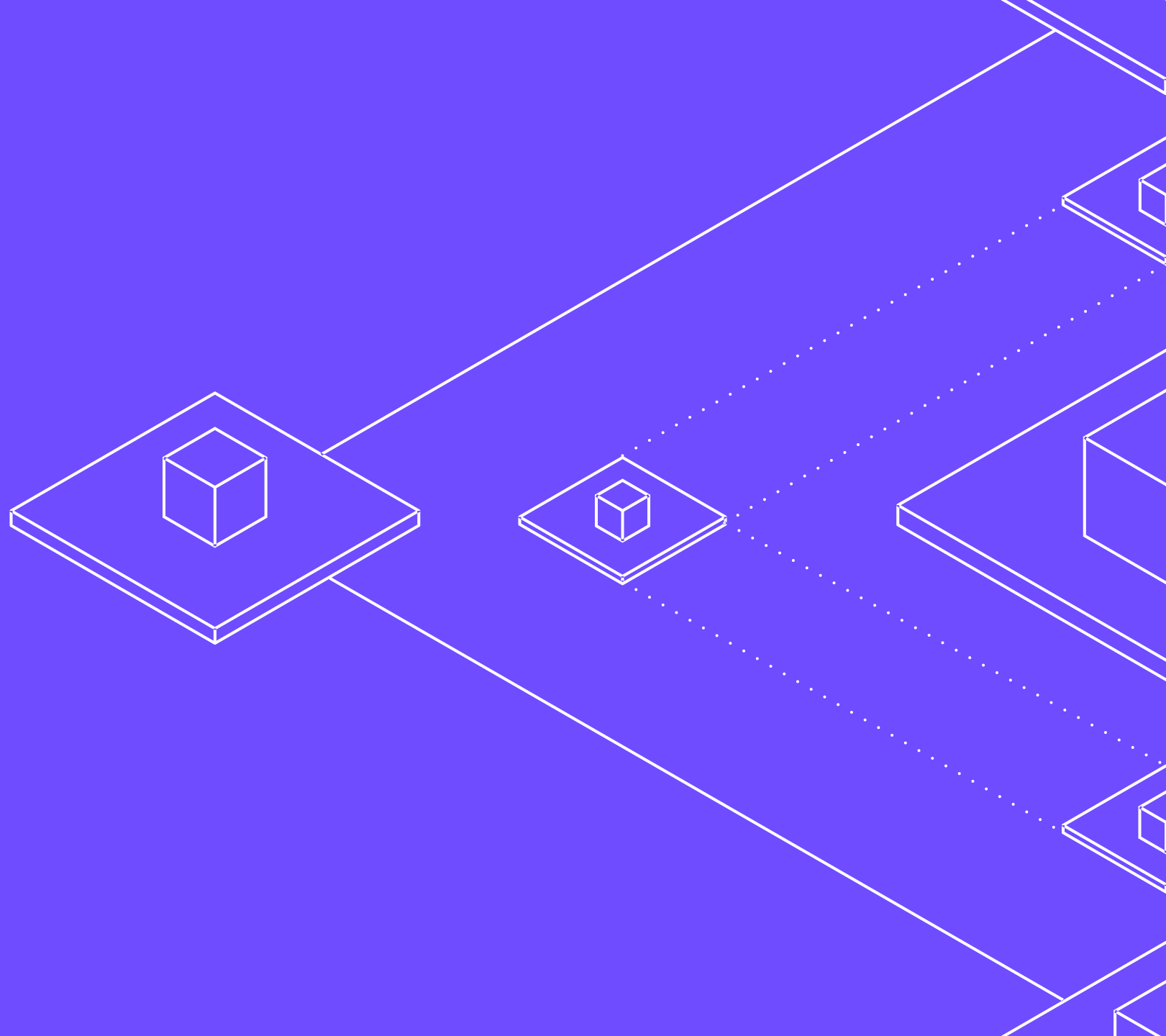


Source: ARK Investment Management LLC, 2025. Chart data from Blockworks Research. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

## Section 03

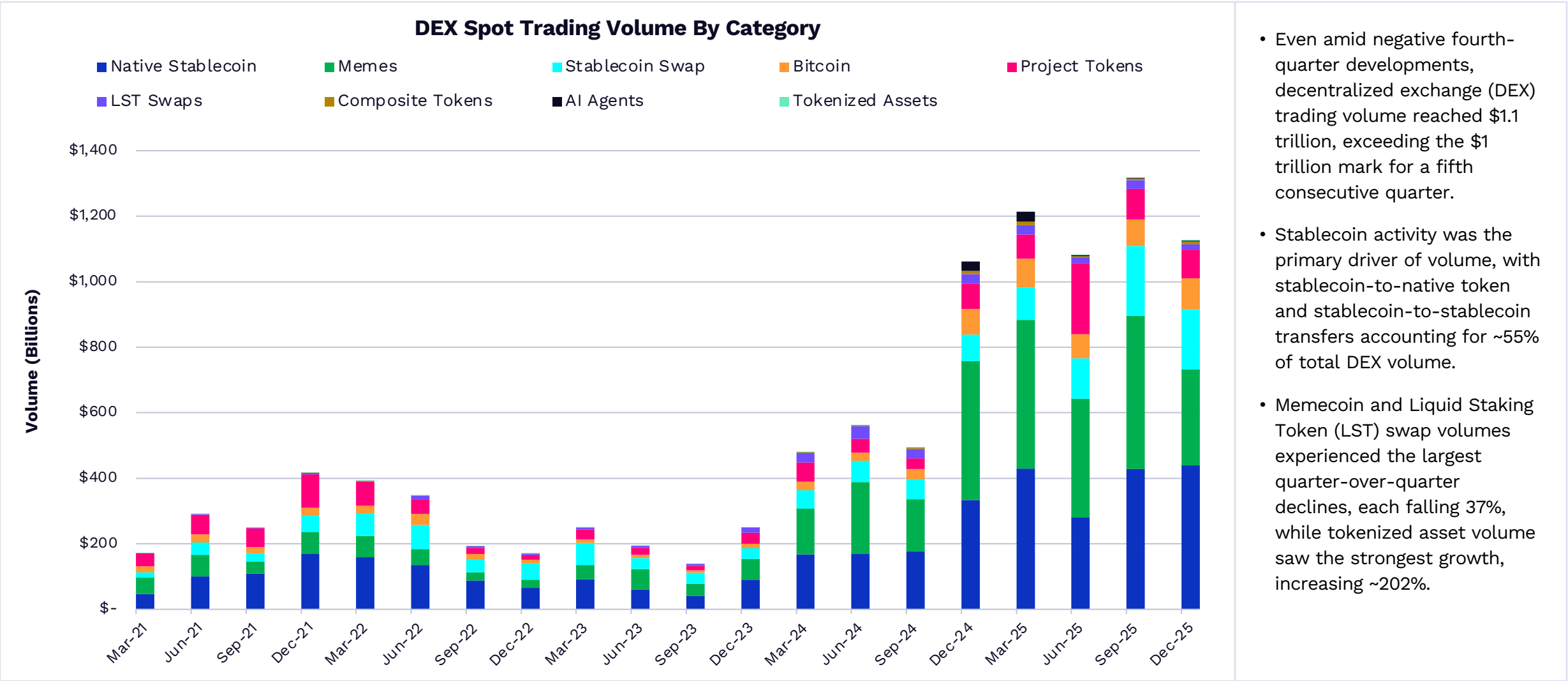
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# Decentralized Exchanges





# DEX Trading Remained Resilient, Topping \$1 Trillion For The Fourth Consecutive Quarter



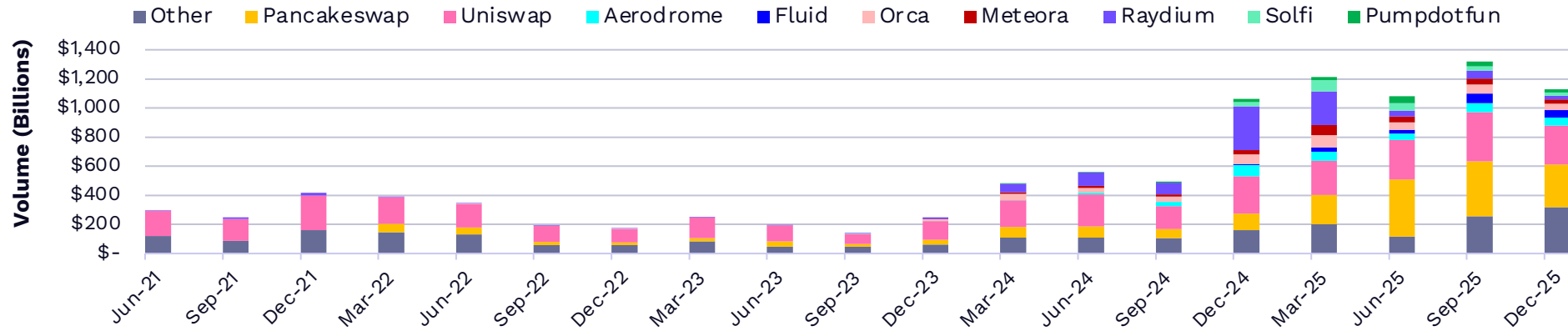
Source: ARK Investment Management LLC, 2025. Chart data from Blockworks Research. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



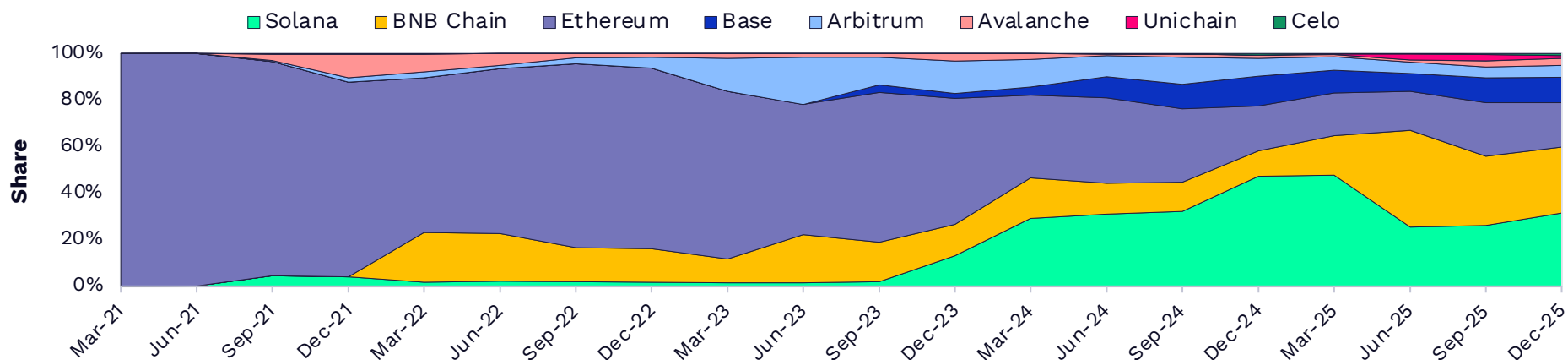


# Uniswap Continues To Close The Gap On The Top Spot In DEX Trading As Network Market Share Stabilized

## DEX Spot Trading Volume By App



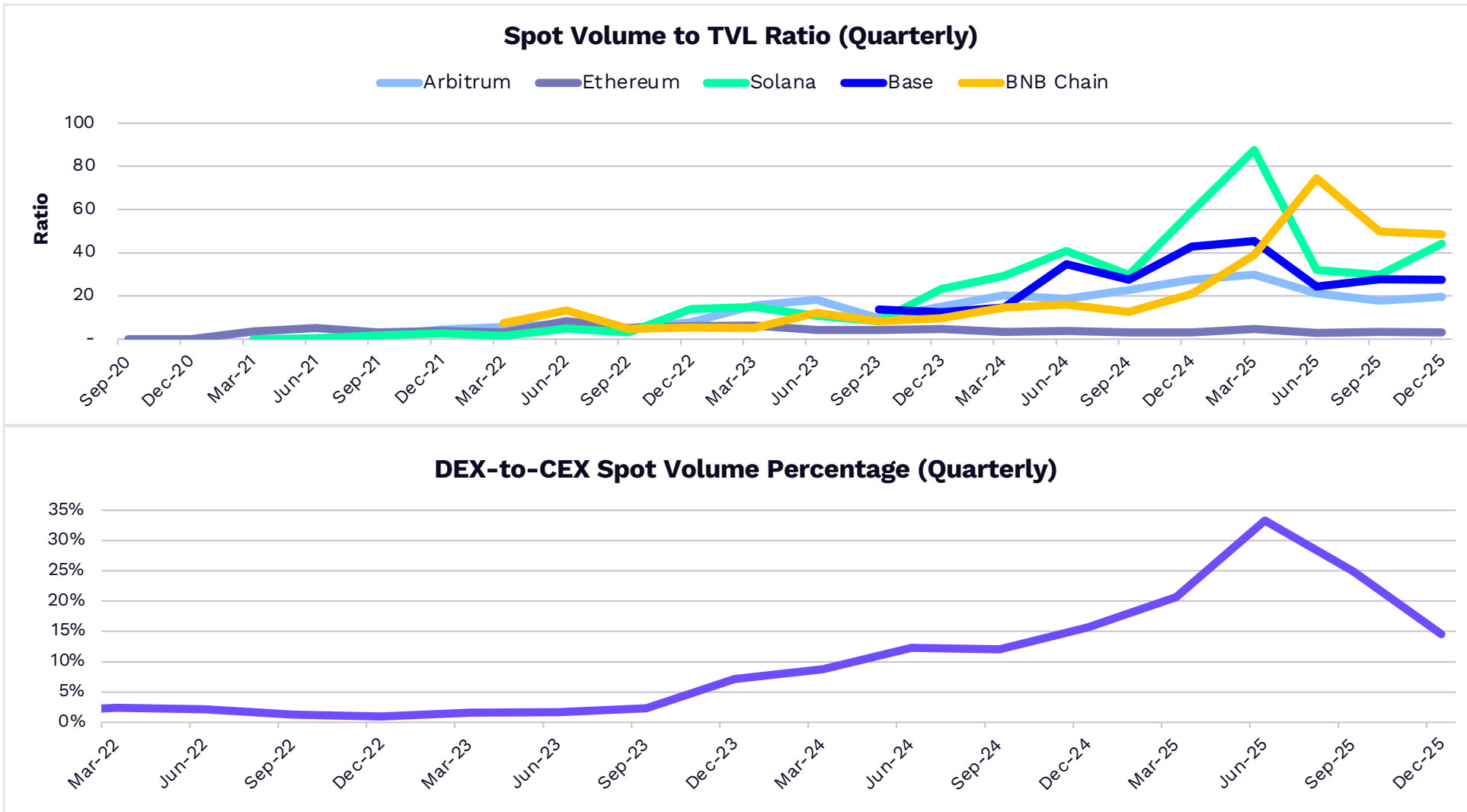
## DEX Spot Trading Volume By Network



- PancakeSwap and Uniswap maintained their dominance, processing ~\$292 billion and ~\$269 billion in spot DEX volume, respectively—and collectively accounting for ~50% of the market.
- The long tail of DEXs became more relevant in the fourth quarter, with smaller DEXs—those processing less than \$20 billion in spot trading volume during the quarter—collectively accounting for ~\$318 billion, or 28% of the total in Q4.
- Solana reclaimed the lead among networks by spot DEX volume, with ~31% market share, followed by BNB Chain at ~28% and Ethereum at ~19%.



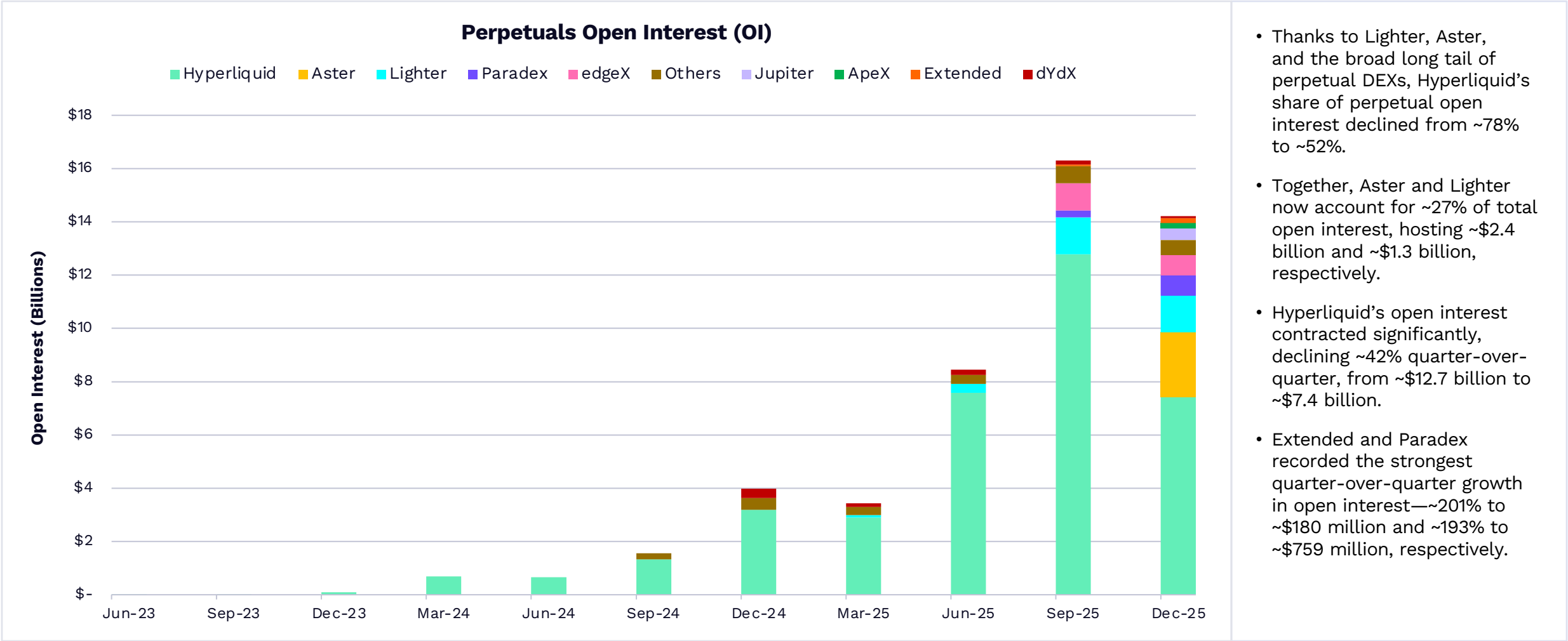
# CEX Spot Volume Continued To Gain, While Solana Led DEX Activity



- With quarterly spot DEX (Decentralized Exchange) volume reaching 44.2x its TVL (Total Value Locked), Solana recorded the largest quarter-over-quarter increase at ~48%. Binance retained the highest spot-DEX-volume-to-TVL ratio at ~48x.
- Aside from Solana, Arbitrum was the only other major network to register an increase, its spot-DEX-volume-to-TVL ratio rising ~10.5% quarter-over-quarter to 19x.
- The DEX-to-CEX (centralized exchange) ratio declined significantly from ~33% to ~14% as market conditions shifted to a more risk-off environment.



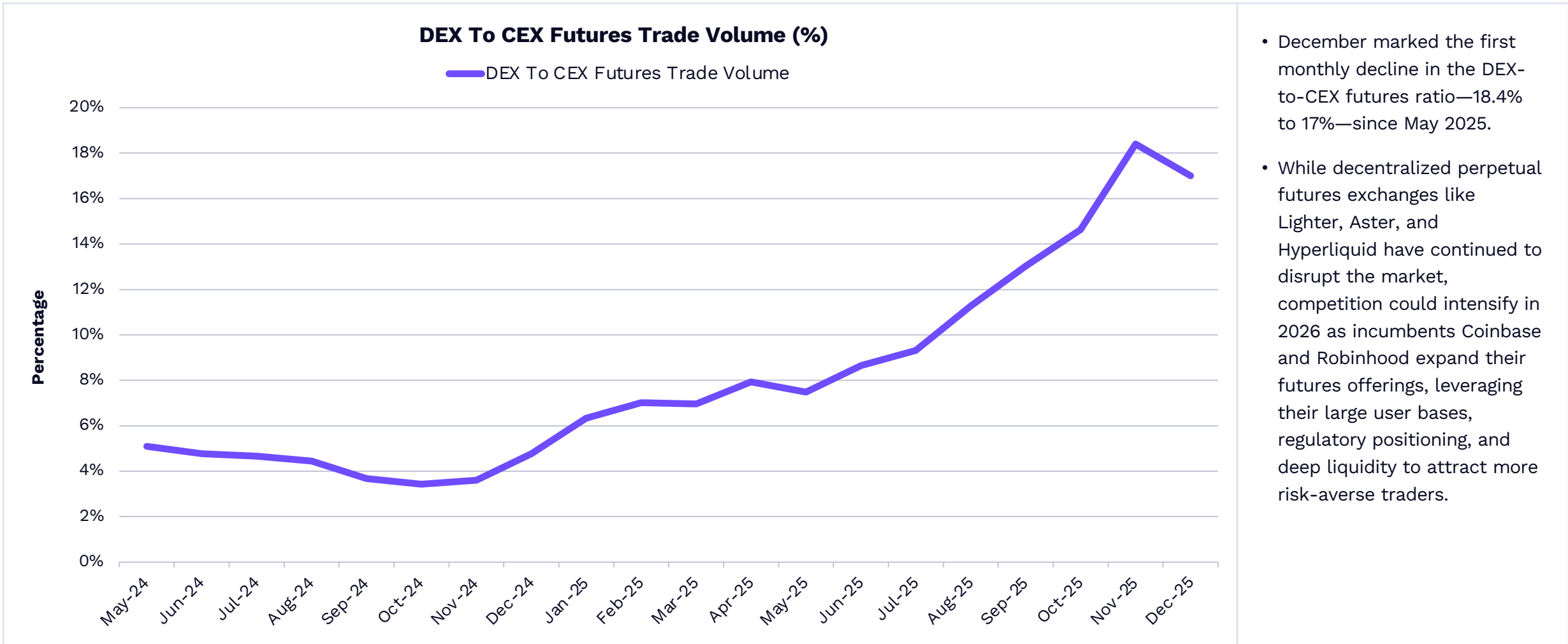
# Binance-Backed Aster Entered The Perpetuals Market In Full Force As Competition Broadened



Note: “Perpetuals Open Interest” refers to the dollar-denominated value of outstanding perpetual futures contracts that have not been settled and exist on permissionless, blockchain-based exchanges. Source: ARK Investment Management LLC, 2025. Chart data from Artemis. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



# Amid Intensifying Competition, The DEX-To-CEX Futures Ratio Softened After A Year Of Sustained Gains

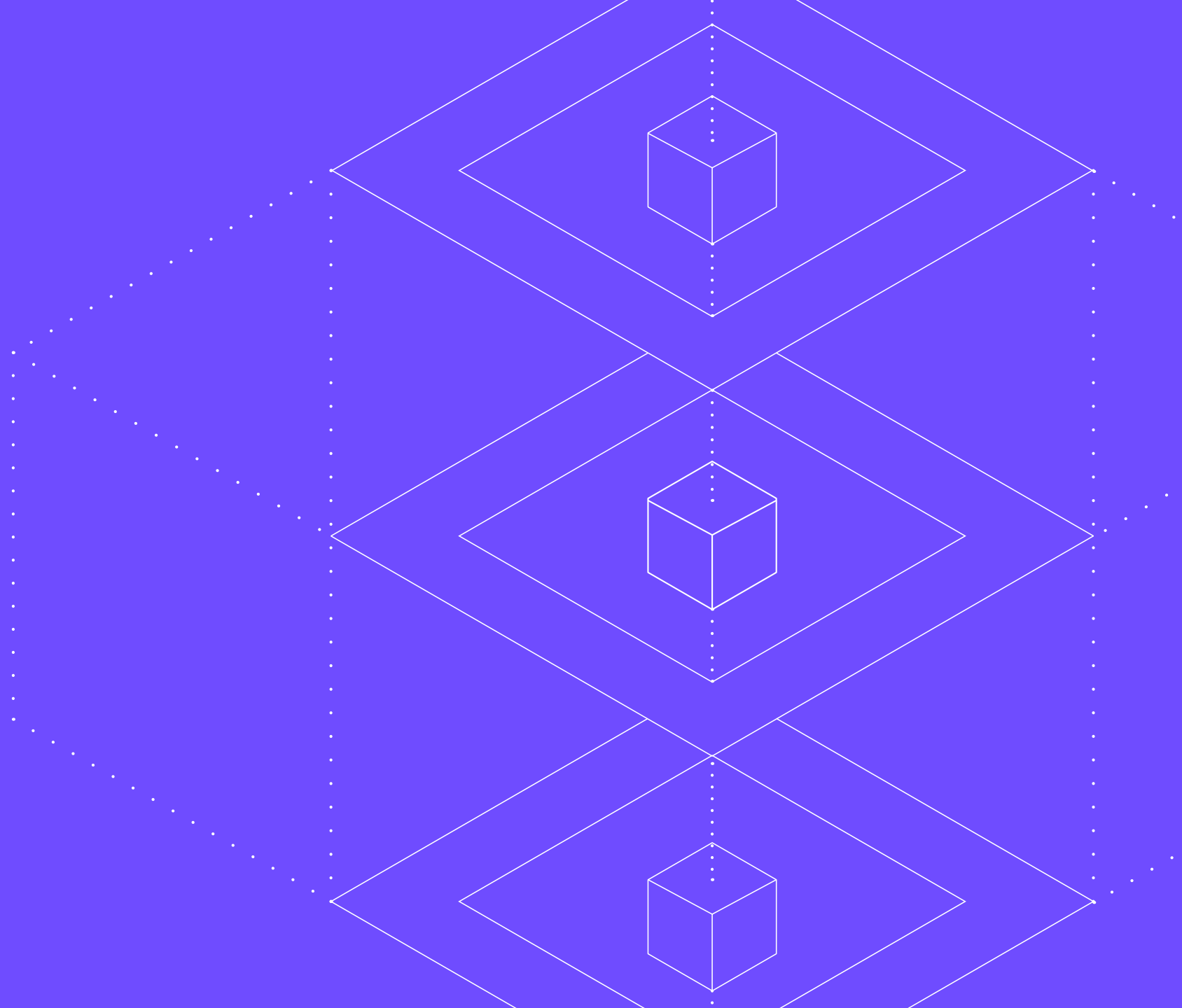


Source: ARK Investment Management LLC, 2025. Chart data from The Block. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

## Section 04

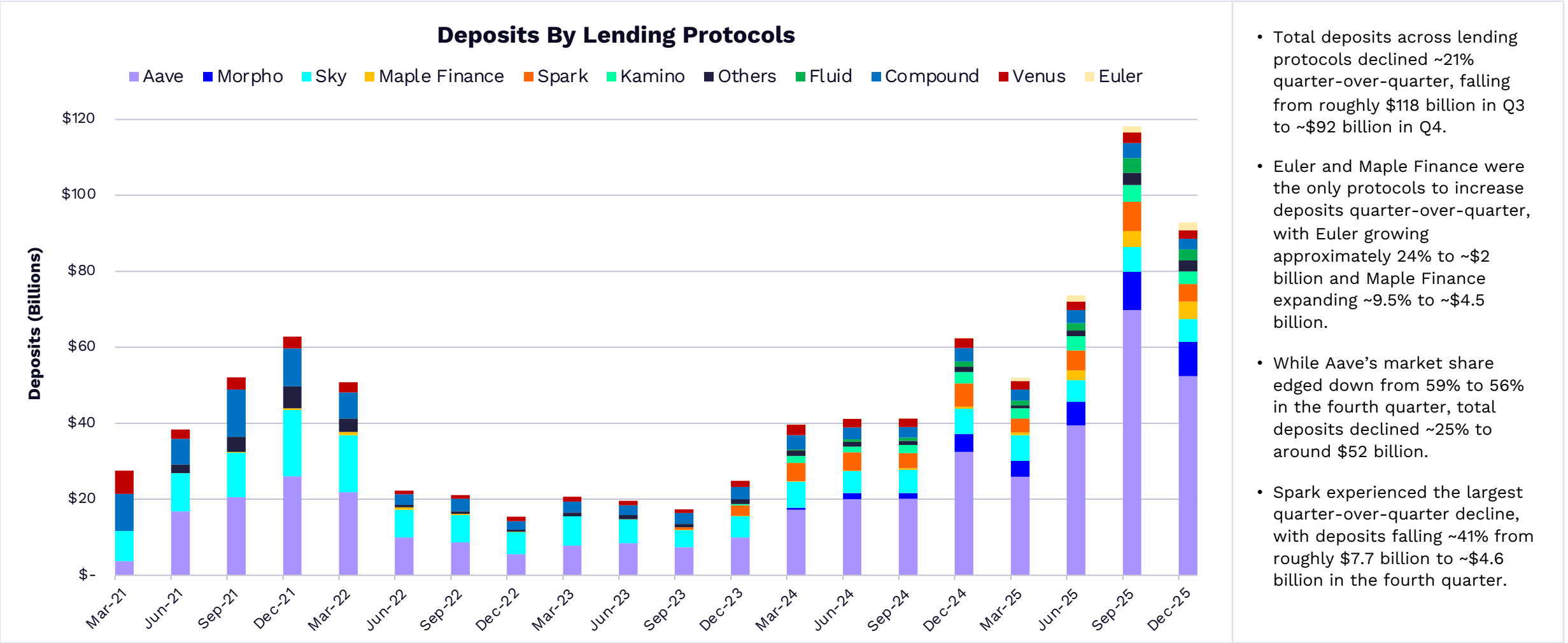
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# Lending Protocols





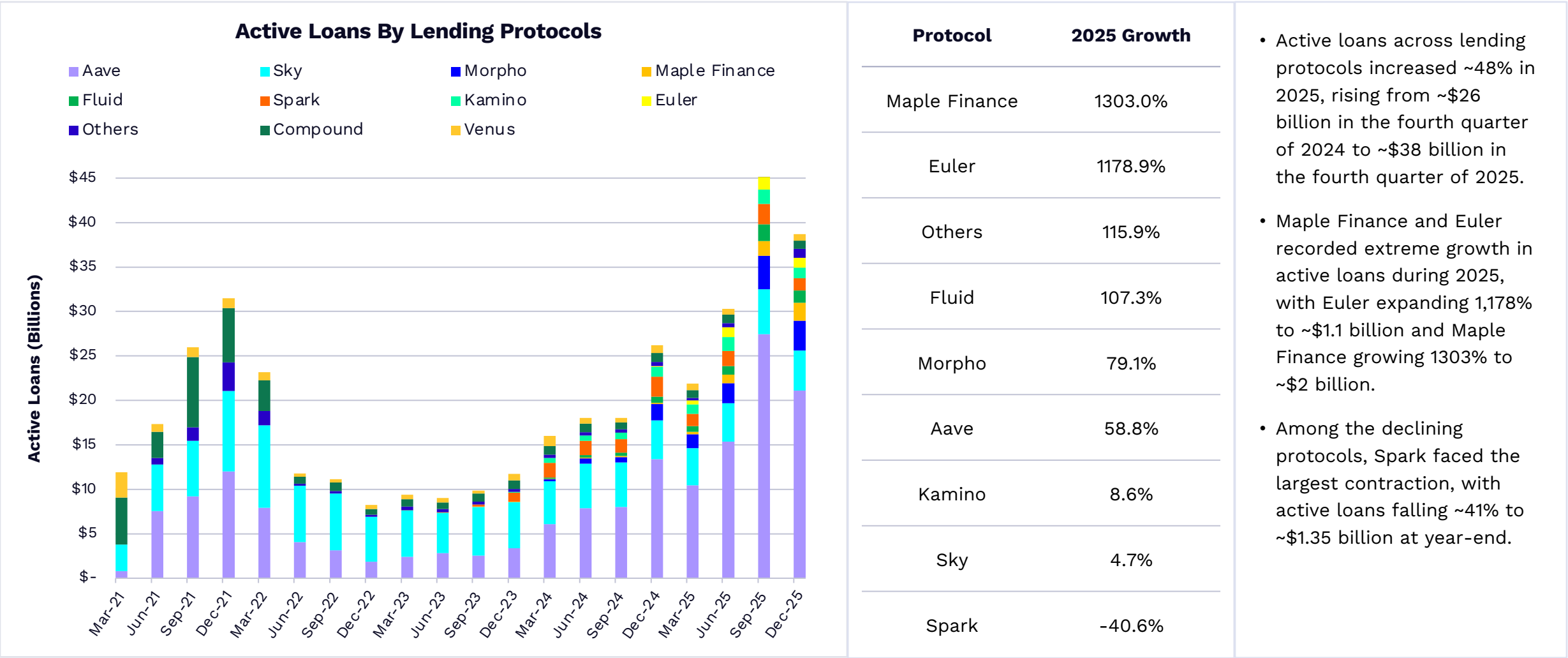
# Following October’s Market Liquidations, Risk-Off Conditions Tempered Leverage And DeFi Lending Activity



Note: “Lending Protocols” are Smart contract applications on blockchains (Layer 1 & Layer 2) that enable users to lend and borrow assets without intermediaries. Source: ARK Investment Management LLC, 2025. Chart data from Artemis. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.



# DeFi Lending Scaled As Active Loans Approached ~\$40 Billion In 2025



Note: To calculate the year-to-date growth rate for active loans, we use the active loan values of the protocol on January 1 (the beginning of the first quarter) and December 31 (the end of the fourth quarter). Source: ARK Investment Management LLC, 2025. Chart data from Artemis. Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

## Section 05

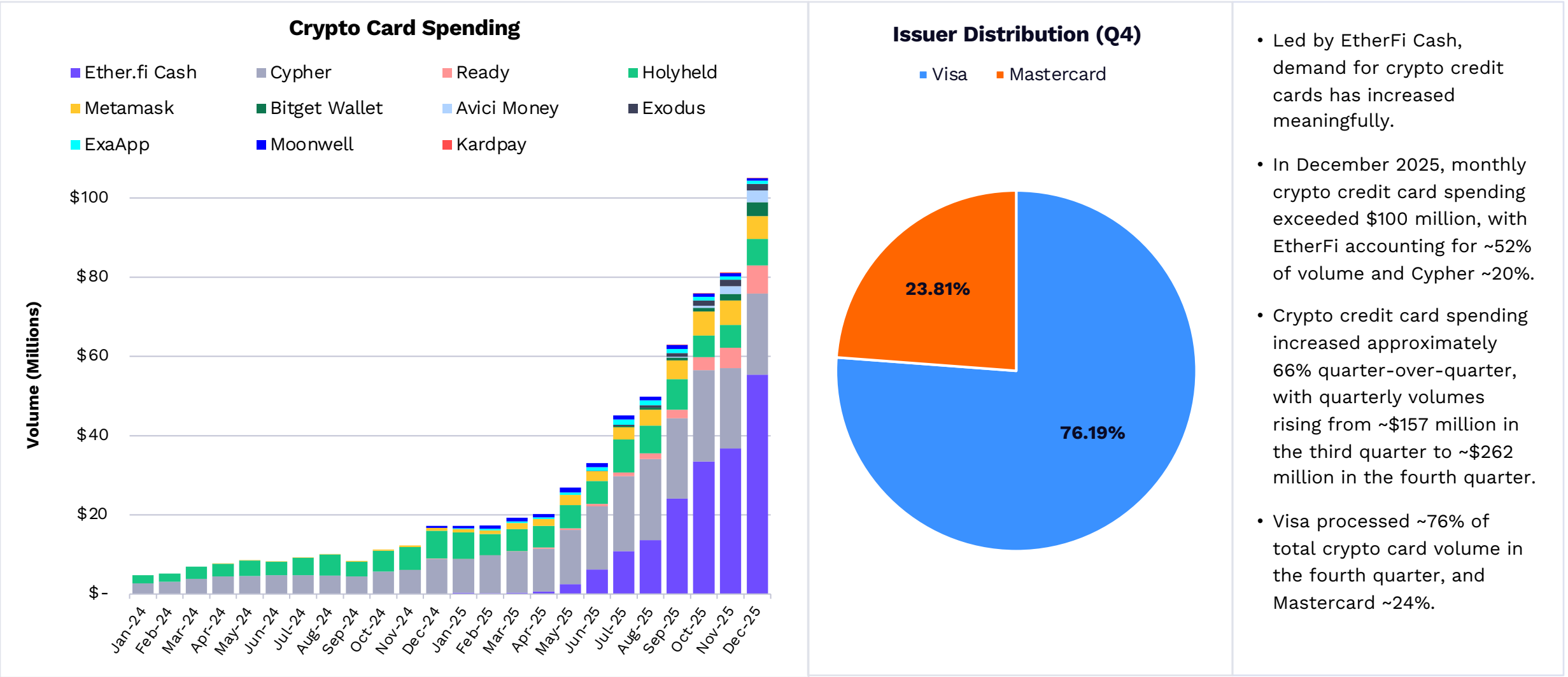
# Market Snapshot: Crypto Credit Card Spending







# Crypto Card Spending Expanded On Visa And Mastercard As On-Chain Payments Matured



Note: "Crypto Credit Cards" are cards that enable users to spend stablecoin and cryptocurrency balances at traditional merchants, typically relying on traditional payment network infrastructure. Source: ARK Investment Management LLC, 2025. Chart data from the Dune dashboard "Crypto Cards (All Chains)" by @obchakevich (Dune Analytics). Information as of December 31, 2025. For more information on certain terms, please read our Glossary Of Terms in the Appendix of this report. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security or cryptocurrency. Forecasts are inherently limited and cannot be relied upon. Past performance is not indicative of future results.

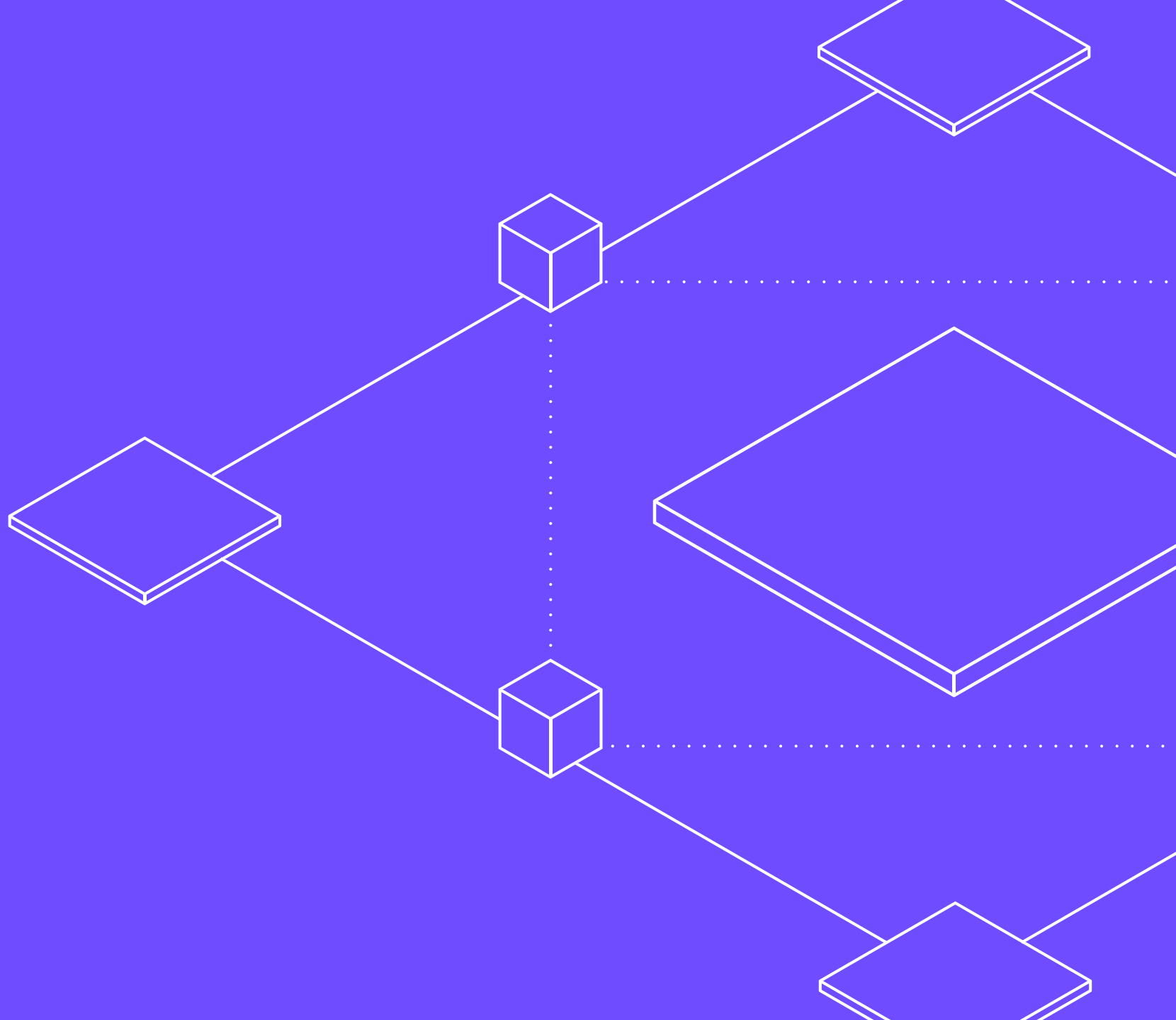


# Market Pulse

<a href="#">Uniswap Passes The UNification Proposal, Activates The Fee Switch And Burns 100 Million UNI</a>	<a href="#">The First Spot Solana ETF Goes Live</a>
<a href="#">SoFi Launches Fully Reserved Stablecoin, SoFiUSD</a>	<a href="#">MegaETH Opens Public Token Sale</a>
<a href="#">Coinbase Hosts ‘System Update’ Event, Announces Prediction Markets, Tokenized Equities, And More</a>	<a href="#">Trump Pardons Binance Founder, CZ</a>
<a href="#">Visa Launches Crypto-Native Stablecoin Settlement In The US Via USDC On Solana</a>	<a href="#">Prime Broker FalconX Buys 21Shares</a>
<a href="#">Controversy Between AaveDAO and Aave Labs Sparks Debate On Tokenholder Rights</a>	<a href="#">Coinbase Acquires Onchain Investment Platform Echo</a>
<a href="#">JP Morgan Launches Tokenized Money Market Fund On Ethereum</a>	<a href="#">Lead Ethereum Researcher, Dankrad Feist, Joins Stripe’s Tempo</a>
<a href="#">Kamino Blocks Migration To Jupiter Due To Jupiter’s Misrepresentation Of Vault Risks</a>	<a href="#">On-chain Exchange, Backpack, Partners With Superstate To Launch Tokenized Stocks</a>
<a href="#">The Ethereum Fusaka Upgrade Goes Live</a>	<a href="#">Larry Fink Claims Blackrock Is Building Its Own Tokenization Technology</a>
<a href="#">Dflow Brings Tokenized Prediction Markets To Solana</a>	<a href="#">Tariff News and Exchange Outages Lead To One Of Crypto’s Largest Ever Liquidation Events</a>
<a href="#">Monad Mainnet Goes Live</a>	<a href="#">Metamask Launches Perpetuals Trading Through Hyperliquid Integration</a>
<a href="#">Aztec Launches Privacy Focused Layer 2 Network On Ethereum, Ignition Chain</a>	<a href="#">Jupiter Partners With Ethena To Launch jupUSD Stablecoin On Solana</a>
<a href="#">Polymarket Relaunches In The US</a>	<a href="#">S&amp;P Launches New Crypto Index Combining Tokens And Stocks</a>
<a href="#">JPM Coin Goes Live On Base For Institutional Clients</a>	<a href="#">Lighter Opens Public Mainnet</a>
<a href="#">Circle Launches ARC Public Testnet</a>	<a href="#">Coinbase Integrates DEX Aggregator 1inch</a>
<a href="#">Western Union Announces Stablecoin On Solana</a>	<a href="#">Sui DAT Partners With Ethena To Launch Two Stablecoins On Sui, USDi and suiUSDe</a>

## Section 05

# Appendix: Glossary Of Terms





# Glossary Of Terms

**Adjusted Stablecoin Transaction Volume:** Stablecoin transaction volume less MEV and intra-exchange stablecoin volumes.

**Centralized Exchange (CEX):** Traditional orderbook exchange existing a regulated entity as a public or private company providing the liquidity and infrastructure for users to trade crypto native assets.

**Crypto Credit Cards:** Cards that enable users to spend stablecoin and cryptocurrency balances at traditional merchants, typically relying on traditional payment network infrastructure.

**Decentralized Exchange (DEX):** A smart contract-based application natively deployed to blockchain networks that provides the liquidity and UX to allow crypto native assets to be exchanged.

**Decentralized Finance (DeFi):** A permissionless financial ecosystem powered by smart contracts on public blockchains.

**Digital Asset Treasury Company (DAT):** Public company that has taken up the mandate to buy and accumulate a specific cryptocurrency to their treasury.

**Genius Act:** Enacted July 18, 2025, the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act), is a US federal law that aims to create a comprehensive regulatory framework for stablecoins.

**Home Equity Line of Credit (HELOC):** A revolving line of credit secured by the equity in your home, allowing you to borrow funds as needed up to a predetermined credit line.

**Layer 1s:** Layer 1 blockchain, or L1, refers to the base protocol of a blockchain network, responsible for essential functions like transaction processing, consensus mechanisms, and data storage on their own chains.

**Layer 2s:** Scaling solutions, such as Ethereum, built on top of a main blockchain network (Layer 1) to increase transaction speed, lower costs, and improve overall scalability.

**Lending Protocols:** Smart contract applications on blockchains (Layer 1 & Layer 2) that enable users to lend and borrow assets without intermediaries.

**Liquid Staking Token:** A freely transferable liquid token that represents a user’s staked position in a crypto network while receiving the accrued rewards in the crypto-native asset of the network.

**Maximum Extractable Value (MEV):** Defined as the maximum value miners or network validators can extract by rearranging and reordering transactions waiting to be added to the blockchain.

**Memecoin:** A speculative crypto token driven by memes or cultural trends, usually without inherent utility.

**Perpetual futures:** Derivatives contracts without an expiration date that allow traders to speculate on the underlying asset prices indefinitely.

**Perpetuals Open Interest:** Refers to the dollar-denominated value of outstanding perpetual futures contracts that have not been settled and exist on permissionless, blockchain-based exchanges.

**Perpetuals Volume:** The dollar-denominated trading volume of perpetual futures contracts on permissionless, blockchain-based exchanges.

**Real Economic Value (REV):** Defined as the total value a network generates consisting of both in-protocol transaction fees and out-of-protocol tips.

**Real World Assets (RWAs):** Assets not natively issued on blockchain networks. RWAs include assets native to traditional markets, including, but not limited to, stocks, private credit, money market funds, commodities, sovereign & non-sovereign debt, private debt, and private institutional funds.

**Stablecoin:** A tokenized asset that maintains parity with some pegged asset (typically the US dollar), stabilized through arbitrage mechanisms and backed by collateral reserves, which may be managed through traditional custodians, automated on-chain mechanisms, or a combination of both.

**Stablecoin Velocity:** Defined as the total adjusted transaction volume per week divided by the total stablecoin supply that week. This metric is aggregated across all networks and stablecoins.

**Stablecoin Transaction Volume (expressed in \$):** For stablecoins, the terms “volume” and “value” can be used interchangeably when referring to trading activity. Unlike assets such as BTC or ETH—where trading volume represents the number of units exchanged and trading value represents the dollar equivalent—stablecoins are designed to be pegged 1:1 to the US dollar (or another fiat currency). As a result, one traded unit of USDC, USDT, or DAI (etc.) is effectively equal to one US dollar in value. Therefore, when we measure trading “volume” for stablecoins, we express it directly in US dollar terms. For example, \$10 billion in USDC traded corresponds both to the volume (10 billion USDC units) and to the value (\$10 billion USD). In other words, “volume” and “value” are synonymous terms in the context of stablecoins.

**Total Value Locked (TVL):** The sum of the value of crypto assets that have been deposited by users to a protocol for the purpose of earning rewards or interest. ARK includes borrows in this calculation.



## Stablecoins And Their Issuers

**USDT Issuer:** Tether

**USDC Issuer:** Circle Internet Group

**USDe Issuer:** Ethena Labs

**DAI Issuer:** Sky Protocol

**USDS Issuer:** Sky Protocol

**USDtb Issuer:** Ethena Labs

**PYUSD Issuer:** Paxos

## DEX Spot Volume Pair Categories

**AI Agents:** Trades that involve and AI agent token.

**Bitcoin:** Trades that involve Bitcoin-pegged assets. Some notable trading pairs are: BTC-ETH, BTC-USD, and BTC-BTC (ex. cbBTC-WBTC).

**Composite Tokens:** Trades that involve a composite asset. Examples include leveraged crypto tokens, portfolio of crypto tokens, and LP tokens.

**LST Swaps:** Trades that involve a liquid staking token (LST).

**Memes:** Trades that make up the remaining volume from known memecoins as well as unclassified tokens.

**Native Stablecoin:** Trades that involve only the native gas token on the blockchain and a stablecoin.

**Project Tokens:** Trades that involve tokens that are issued by projects. An example would be governance tokens and L1 tokens (excluding Bitcoin).

**Stablecoin Swap:** Trades where both the bought token and sold token are stablecoins.

**Tokenized Assets:** Trades that involve on-chain RWAs. Examples include Gold, Equities, and Treasuries.



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