

fVital - Flowmark Flagship Liquid Allocation Vault

1. Investment Highlights

- (1) Top-tier asset managers: Wellington, ChinaAMC, China Merchants and Fosun
- (2) Institutional-grade USD liquidity with enhanced yield
 - On-chain access to professionally managed USD money market funds (CASH+/AMCASH+) combined with a multi-sector income portfolio (YIELD+), targeting 6 – 8% p.a. net while maintaining short duration and weekly liquidity.
- (3) Short duration, low NAV volatility
 - Core exposure in institutional USD MMFs and short-dated income strategies keeps rate duration low and drawdowns contained, designed as a treasury rather than a risk asset
- (4) Diversified real-world income
 - YIELD+ adds credit and ILS premia on top of money-market yield, giving multiple independent sources of carry and lower correlation vs. simple T-bill / repo stacks
- (5) Rare access to insurance-linked securities via Tenax ILS
 - The YIELD+ sleeve includes exposure to the Tenax ILS UCITS Fund, a top-performing catastrophe bond strategy with a 9.9% yield-to-worst and 3.1 one-year Sharpe ratio as of Dec 2025, offering institutional-quality ILS exposure historically available only to large reinsurers and pension funds.
- (6) On-chain native but institutional in structure
 - ERC vault shares, oracle-friendly pricing and composability, underpinned by independent admin, custodians and regulated managers at the asset level
- (7) Treasury-ready building block
 - Suitable as a base layer for DAOs, stablecoin issuers and CEX/MM treasuries that want yield enhancement without committing to term or leverage

2. Strategy Overview

Weekly-dealing on-chain allocation vault investing into tokenised USD money market funds (CASH+/AMCASH+) and a multi-sector credit & insurance-linked securities (ILS) sleeve (YIELD+), targeting a cash-plus profile with short duration, capital preservation focus, and enhanced income.

3. Investment Objective & Role in Portfolio

- (1) Objective: Deliver an attractive yield pick-up over institutional USD money market rates with limited duration risk and low NAV volatility.
- (2) Role: Core liquidity and treasury allocation for stablecoin reserves, protocol treasuries, and institutional cash management, with weekly rather than intraday liquidity.

4. Target Allocation (Look-through)

- (1) 50–70% CASH+/AMCASH+: tokenised institutional USD money market funds (short-duration, investment-grade, daily-dealing).

- (2) 30–50% YIELD+: tokenised multi-strategy income portfolio including credit, securitised credit and an ILS sleeve referencing Tenax ILS UCITS Fund.

5. Liquidity & Lock-up

- (1) Subscriptions: Continuous on-chain deposits; capital is batched and deployed into underlying funds on a weekly dealing cycle.
- (2) Redemptions: Requests can be submitted at any time; processed at the next weekly dealing date at prevailing NAV, with settlement targeted T+2–T+3 business days.
- (3) Protections: Soft gates, pro-rata fills and swing pricing may be applied in line with underlying fund documentation in stressed markets.

6. Expected Return & Risk Profile

- (1) Target net yield (per annum): 6 – 8% over a full market cycle (non-guaranteed).
- (2) CASH+/AMCASH+ sleeve: reference yield c. 3.5 – 5% p.a. from institutional USD money market funds in the current rate environment.
- (3) YIELD+ sleeve: expected to generate high single-digit to low double-digit net returns from diversified credit and ILS exposures, with low correlation to traditional equity and credit markets.

7. Target Users

- (1) Crypto-native treasuries and DAOs.
- (2) Stablecoin issuers and market-makers.
- (3) Institutional investors seeking tokenised cash-plus exposure with weekly liquidity.

8. Standardised Terms

<i>Field</i>	<i>Description</i>
Structure	Open-ended on-chain allocation vault.
Dealing frequency	Weekly subscriptions and redemptions.
Base currency	USD.
Target net yield (p.a.)	6–8% (not guaranteed).
Target allocation	50–70% CASH+/AMCASH+, 30–50% YIELD+ (look-through).
Look-through duration	Very short duration (money market plus short-dated income strategies).
Use of leverage	None at vault level; underlying funds may employ limited leverage within defined guidelines.
Minimum subscription	USD 10,000.
Eligibility	Onchain investors.

9. Key Risks

- (1) Capital risk: The vault NAV can fluctuate and capital loss is possible.
- (2) Credit and spread risk: YIELD+ credit and securitised exposures are subject to default, downgrade and spread-widening risk.
- (3) ILS / catastrophe risk: The insurance-linked component is exposed to catastrophe event and model risk; drawdowns around large events are possible.
- (4) Liquidity risk: Vault liquidity ultimately depends on underlying MMFs and funds; redemptions may be gated, delayed or subject to swing pricing in stressed markets.
- (5) Operational and legal risk: Tokenisation structures, custodians, administrators and on-chain infrastructure may fail or be adversely affected by regulatory changes.
- (6) Currency and interest-rate risk: Residual rate and FX basis risk may impact returns despite the short-duration profile.

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Any investment in the described vaults or underlying funds involves significant risks, including the possible loss of all or a substantial portion of the amount invested. The value of investments and the income from them may fall as well as rise, may be affected by changes in exchange rates, interest rates, credit spreads, market liquidity, regulation and other factors, and investors may not recover the amount originally invested. Investments in private credit, trade finance, insurance-linked securities and infrastructure entail additional risks, including but not limited to illiquidity, valuation uncertainty, legal and structural risk, and counterparty and operational risks. Investments employing leverage are subject to heightened volatility and risk of loss.

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Appendix:

1. YIELD+ Factsheet
2. YIELD+ KID
3. CASH+ Factsheet
4. CASH+ KID
5. AMCASH+ Factsheet
6. AMCASH+ KID

For further due diligence:

1. CASH+ <https://www.cmschina.com.hk/en/AM/FundProduct?view=CMMF>
2. AMCASH+:
<https://www.chinaamc.com.hk/product/chinaamc-usd-digital-money-market-fund/>
3. YIELD+:
 - a) Fund literature for Pinnacle Investment SPC - Tokenized ILS SP1
 - b) Tenax: <https://www.tenaxcapital.com/investorareails>
 - c) Wellington: <https://www.wellington.com/en-hk/individual/funds#fundliterature>