

Arca U.S. Treasury Fund

Annual Report
December 31, 2025

This report covers operations of the Arca U.S. Treasury Fund (the “Fund”) for the fiscal year ended December 31, 2025. The Fund concluded the year with net assets of \$443,597 across thirty-two different investors, up from \$426,345 on December 31, 2024 representing an increase of 4%.

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 the Funds investment strategy.

Bond Market Overview

In 2025, the U.S. bond market experienced continued volatility, driven by monetary policy decisions, incoming economic data, and broader global market dynamics. Treasury yields began the year at elevated levels, with the 10-year U.S. Treasury at 4.57% and the 3-month Treasury at 4.36%, resulting in a modestly upward-sloping yield curve at the start of the year.

As the year progressed, monetary policy became the primary driver of short-term interest rates. After holding the federal funds target range at 4.25%–4.50% through much of the year, the Federal Reserve initiated easing with a 25 basis point cut on September 17, 2025 to 4.00%–4.25%, followed by additional cuts in October (to 3.75%–4.00%) and December (to 3.50%–3.75%, effective December 11, 2025).

By year-end, short-term rates had declined materially, with the 3-month Treasury yield ending 2025 at 3.65%. Longer-term yields also moved lower but remained relatively elevated, reflecting persistent inflation concerns and continued economic strength. The 10-year Treasury yield ended the year at 4.18%.

Shape of the Yield Curve: 12/31/2024 vs 12/31/2025



Source: Bloomberg 1/23/2026

Compared to year-end 2024, the Treasury yield curve in 2025 shifted lower at the short and intermediate maturities, reflecting increased confidence in Federal Reserve easing. This reduced the degree of inversion seen in prior periods and resulted in a modest steepening of the curve. Longer-dated yields were comparatively stable year over year, continuing to reflect longer-term inflation expectations and supply-related pressures rather than near-term monetary policy.



Source: Bloomberg 1/23/2026

Inside the Portfolio

The Fund's investment objective remains to seek maximum total return consistent with the preservation of capital. With both the Fund's investment objective and the prevailing rate environment in mind, the Adviser continued to focus on capturing attractive income while managing interest rate risk through a disciplined approach to duration. Throughout 2025, the Fund sought to minimize duration exposure by rolling short-dated U.S. Treasury bills, primarily in the 3 and 6-month range. As of December 31, 2025, the Fund recorded annual returns of 4.02%, compared to 4.31% for the Bloomberg Short Treasury Total Return Value Index Unhedged.

Chart of 2024 Bloomberg US Treasury Index



Source: Bloomberg 1/23/2026

Factors that Materially Affected the Fund's Performance

In 2025, the Fund's performance was primarily influenced by changes in short-term interest rates and evolving expectations for Federal Reserve policy. As the Federal Reserve began to ease monetary policy in the second half of the year, short-term Treasury yields declined, supporting returns for securities held at the front end of the yield curve. This environment favored shorter maturities, which benefited from higher starting yields and lower sensitivity to interest rate movements.

At the same time, continued volatility in longer-term Treasury yields, driven by macroeconomic uncertainty, ongoing Treasury issuance, and shifts in global demand for U.S. government debt, affected overall market conditions. Despite these dynamics, the Fund's focus on short-dated U.S. Treasury securities helped limit duration risk and maintain stability, aligning performance with the Fund's objective of capital preservation while capturing income opportunities.

Looking Ahead

Looking ahead to 2026, the U.S. bond market will continue to be influenced by economic conditions and the path of monetary policy. With the Federal Reserve having moved into an easing phase, expectations around the pace and extent of further policy adjustments will remain an important driver of market behavior, particularly at the short end of the yield curve.

While easing policy may support lower short-term interest rates, longer-term yields could remain influenced by economic resilience, inflation uncertainty, and ongoing U.S. Treasury issuance to fund fiscal needs. These factors may continue to create periods of volatility across the yield curve. Global developments, including shifts in foreign demand for U.S. Treasuries and geopolitical considerations, are also expected to remain important variables affecting market performance.

For investors, the environment may offer opportunities to generate income as interest rates stabilize at higher levels than those seen in the prior decade. However, disciplined positioning will remain important as markets adjust to changing economic and policy conditions.

In accordance with the Fund's mandate, and in constructing the portfolio, the Adviser will continue to focus on capturing attractive yield opportunities while maintaining an emphasis on capital preservation and liquidity. The Adviser will also continue to evaluate enhancements to the Fund designed to improve flexibility and support long-term growth and adoption.

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 113.34%, however the Adviser has agreed to an expense cap of 0.75% through an expense limitation agreement through April 30, 2026. 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 Distribution Services, LLC ("ACA"), Member FINRA/SIPC. The Adviser and ACA are not affiliated.

Arca U.S. Treasury Fund
PORTFOLIO REVIEW (Unaudited)
December 31, 2025

The Fund's performance figures* for the periods ended December 31, 2025, compared to its benchmark:

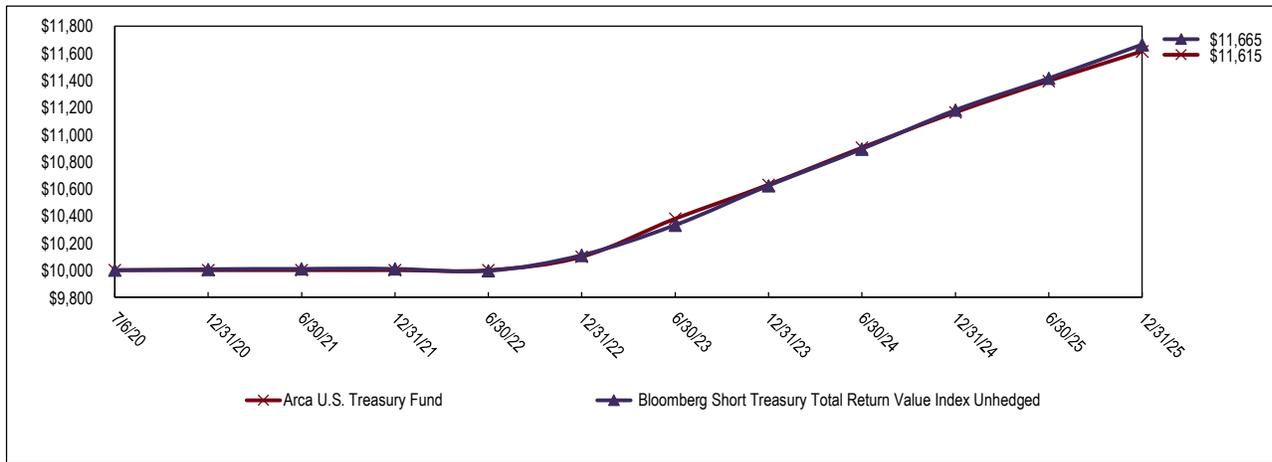
	One Year	Annualized		
		Three Year	Five Year	Since Inception (a)
Arca U.S. Treasury Fund	4.02%	4.77%	3.04%	2.77%
Bloomberg Short Treasury Total Return Value Index Unhedged **	4.31%	4.88%	3.11%	2.85%

(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 0.77% per the Fund's Prospectus dated May 1, 2025. 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 1-888-526-1997.

** 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, 2025



Holdings by type of investment

Short Term Investments:
 U.S. Treasury Bills
 Money Market Fund
 Liabilities in Excess of Other Assets

% of Net Assets

98.4%
 5.1%
 (3.5)%
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, 2025

<u>Principal Amount (\$)</u>		<u>Yield Rate (%)</u>	<u>Maturity</u>	<u>Fair Value</u>
	SHORT-TERM INVESTMENTS — 103.5%			
	U.S. TREASURY BILLS — 98.4%			
160,000	United States Treasury Bill	3.50	03/19/26	\$ 158,813
121,000	United States Treasury Bill	3.51	03/26/26	120,021
160,000	United States Treasury Bill	3.53	06/11/26	157,529
				<u>436,363</u>
	MONEY MARKET FUND – 5.1%			
22,660	Fidelity Treasury Portfolio, Class I, 3.41% ^(a)			<u>22,660</u>
	TOTAL SHORT-TERM INVESTMENTS (Cost \$458,827)			<u>459,023</u>
	TOTAL INVESTMENTS – 103.5% (Cost \$458,827)			\$ 459,023
	LIABILITIES IN EXCESS OF OTHER ASSETS - (3.5)%			<u>(15,426)</u>
	NET ASSETS - 100.0%			<u>\$ 443,597</u>

^(a) Rate disclosed is the seven day effective yield as of December 31, 2025.

Arca U.S. Treasury Fund
STATEMENT OF ASSETS AND LIABILITIES
December 31, 2025

ASSETS

Investment securities:		
At cost	\$	458,827
At fair value	\$	459,023
Receivable due from Adviser		46,251
Interest receivable		127
Prepaid expenses & other assets		30,962
TOTAL ASSETS		536,363

LIABILITIES

Accrued audit and tax fees		53,025
Accrued legal fees		17,610
Accrued administration fees		13,308
Accrued custody fees		3,486
Accrued transfer agent fees		3,180
Accrued expenses and other liabilities		2,157
TOTAL LIABILITIES		92,766

NET ASSETS	\$	443,597
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Net Assets Consist Of:

Paid in capital (\$0 par value, 100,000,000 shares authorized)	\$	443,404
Accumulated earnings		193

NET ASSETS	\$	443,597
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Net Assets	\$	443,597
Shares of beneficial interest outstanding (\$0 par value, 100,000,000 shares authorized)		444,164

Net asset value (Net Assets ÷ Shares Outstanding)	\$	1.00
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Arca U.S. Treasury Fund
STATEMENT OF OPERATIONS
For the Year Ended December 31, 2025

INVESTMENT INCOME	
Interest	\$ 20,214
TOTAL INVESTMENT INCOME	20,214
 EXPENSES	
Investment advisory fees	217
Blockchain administration fee	869
Legal fees	120,234
Administrative services fees	89,356
Audit and tax fees	53,324
Compliance officer fees	48,000
Registration fees	27,983
Trustees fees and expenses	25,000
Custodian fees	20,952
Transfer agent fees	15,926
Printing and postage expenses	13,192
Other expenses	41
TOTAL EXPENSES	415,094
Less: Fees waived/reimbursed by the Adviser	(411,835)
NET EXPENSES	3,259
NET INVESTMENT INCOME	16,955
 NET UNREALIZED GAIN ON INVESTMENTS	
Net change in unrealized appreciation on:	
Investments	69
	69
 NET UNREALIZED GAIN ON INVESTMENTS	 69
 NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	 \$ 17,024

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

	Year Ended December 31, 2025	Year Ended December 31, 2024
FROM OPERATIONS		
Net investment income	\$ 16,955	\$ 19,862
Net change in unrealized appreciation/(depreciation) on investments	69	(504)
Net increase in net assets resulting from operations	<u>17,024</u>	<u>19,358</u>
DISTRIBUTIONS TO SHAREHOLDERS		
Total distributions paid	(17,125)	(19,953)
From distributions to shareholders	<u>(17,125)</u>	<u>(19,953)</u>
FROM SHARES OF BENEFICIAL INTEREST		
Proceeds from shares sold:	2,300	21,000
Net asset value of shares issued in reinvestment of distributions:	17,125	19,953
Payments for shares redeemed:	(2,072)	(3,851)
Net increase in net assets from shares of beneficial interest	<u>17,353</u>	<u>37,102</u>
TOTAL INCREASE IN NET ASSETS	17,252	36,507
NET ASSETS		
Beginning of year	426,345	389,838
End of year	<u>\$ 443,597</u>	<u>\$ 426,345</u>
SHARE ACTIVITY		
Shares sold	2,299	20,921
Shares reinvested	17,125	19,953
Shares redeemed	(2,063)	(3,833)
Net increase in shares of beneficial interest outstanding	<u>17,361</u>	<u>37,041</u>

Arca U.S. Treasury Fund
FINANCIAL HIGHLIGHTS

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

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022	Year Ended December 31, 2021
Net asset value, beginning of year	\$ 1.00	\$ 1.00	\$ 1.01	\$ 1.00	\$ 1.00
Activity from investment operations:					
Net investment income/(loss) (1)	0.04	0.05	0.05	0.01	(0.00) (2)
Net realized and unrealized gain/(loss) on investments (2)	0.00	(0.00)	0.00	(0.00)	(0.00)
Total from investment operations	0.04	0.05	0.05	0.01	(0.00)
Less distributions from:					
Net investment income	(0.04)	(0.05)	(0.06)	-	-
Total distributions	(0.04)	(0.05)	(0.06)	-	-
Net asset value, end of year	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.01	\$ 1.00
Total return (3)	4.02%	5.03%	5.26%	1.00%	0.00%
Net assets, end of year (000's)	\$ 444	\$ 426	\$ 390	\$ 371	\$ 116
Ratio of gross expenses to average net assets (4,5)	95.53%	114.09%	134.28%	146.10%	717.53%
Ratio of net expenses to average net assets (4,6)	0.75%	0.75%	0.75%	0.75%	0.19% (7)
Ratio of net investment income/(loss) to average net assets (4)	3.90%	4.91%	5.24%	0.92%	(0.13)%
Portfolio Turnover Rate	0%	0%	0%	0%	0%

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

(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 and expense reimbursements by the Adviser.

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

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

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

(7) Includes voluntary waiver from the Adviser. 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, 2025

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 generally accepted accounting principles in the United States (“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”.

An operating segment is defined as a component of a public entity that engages in business activities from which it may recognize revenues and incur expenses, has operating results that are regularly reviewed by the public entity’s chief operating decision maker (“CODM”) to make decisions about resources to be allocated to the segment and assess its performance, and has discrete financial information available. The CODM is comprised of the portfolio manager and Chief Financial Officer of the Trust. The Fund operates as a single operating segment. The Fund’s income, expenses, assets, changes in net assets resulting from operations and performance are regularly monitored and assessed as a whole by the CODM responsible for oversight functions of the Fund, using the information presented in the financial statements and financial highlights.

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.

Arca U.S. Treasury Fund

NOTES TO FINANCIAL STATEMENTS (Continued)

December 31, 2025

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 that 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.

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 its 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 – 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, 2025 for the Fund’s assets and liabilities measured at fair value:

Assets *	Level 1	Level 2	Level 3	Total
U.S. Treasury Bills	\$ -	\$ 436,363	\$ -	436,363
Money Market Fund	22,660	-	-	22,660
Total	\$ 22,660	\$ 436,363	\$ -	\$ 459,023

* Refer to the Schedule of Investments for classification.

Arca U.S. Treasury Fund
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2025

The Fund did not hold any Level 3 securities during the year ended December 31, 2025. 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.

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, 2022-December 31, 2024, or is expected to be taken in the Fund’s December 31, 2025 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.

The Fund adopted the FASB Accounting Standards Update 2023-09, "Income Taxes (Topic 740) Improvements to Income Tax Disclosures" ("ASU 2023-09"), which establishes new income tax disclosure requirements and modifies or eliminates certain existing disclosure provisions. The amendments in this ASU are intended to address investor requests for more transparency about income tax information and to improve the effectiveness of income tax disclosures. The Fund’s adoption of ASU 2023-09 did not have a material impact on the Fund's financial statements.

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, 2025, 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, 2025, the Fund incurred \$217 of advisory fees.

Arca U.S. Treasury Fund
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2025

Arca Labs, an affiliate of the Adviser, 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 blockchain administrator 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 blockchain administrator 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, 2025, the Fund incurred \$869 of blockchain administration fees.

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, 2025, the Adviser waived fees and reimbursed expenses in the amount of \$411,835. 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:

2026	\$507,242
2027	\$458,473
2028	\$411,835

As of December 31, 2025, \$509,102 in waived advisory fees and reimbursed expenses expired unrecouped.

The distributor of the Fund is 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, 2025, were as follows:

Cost for Federal Tax purposes	\$	458,827
Unrealized Appreciation	\$	196
Unrealized Depreciation		-
Tax Net Unrealized Appreciation	\$	196

6. DISTRIBUTIONS TO SHAREHOLDERS AND TAX COMPONENTS OF CAPITAL

The tax character of Fund distributions paid for the years ended December 31, 2025, and December 31, 2024, were as follows:

	Fiscal Year Ended December 31, 2025	Fiscal Year Ended December 31, 2024
Ordinary Income	\$ 17,125	\$ 19,953
Long-Term Capital Gain	-	-
Return of Capital	-	-
	<u>\$ 17,125</u>	<u>\$ 19,953</u>

Arca U.S. Treasury Fund
NOTES TO FINANCIAL STATEMENTS (Continued)
December 31, 2025

As of December 31, 2025, 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)	\$ -	\$ 196	\$ 193

Permanent book and tax differences, primarily attributable to the distributions in excess, resulted in reclassifications for the Fund for the fiscal year ended December 31, 2025, as follows:

Paid In Capital	Distributable Earnings
\$ (170)	\$ 170

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, 2025, the Adviser held approximately 91.5% 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 6% of the shares then outstanding. There is no guarantee that shareholders will be able to sell all of the shares they desire in a monthly repurchase offer. Limited liquidity will be provided to shareholders only through the Fund's monthly repurchases.

During the year ended December 31, 2025, the Fund completed twelve monthly repurchase offers. In those offers, the Fund offered to repurchase up to 6% of the number of its outstanding shares as of the Repurchase Pricing Dates. The results of those repurchase offers were as follows:

	Commencement Date	Repurchase Request Deadline	Repurchase Pricing Date	Net Asset Value as of Repurchase Offer Date	Amount Repurchased	Percentage of Outstanding Shares Repurchased
Repurchase Offer #1	January 2, 2025	January 14, 2025	January 14, 2025	\$ 1.00	\$ -	0.00%
Repurchase Offer #2	February 3, 2025	February 14, 2025	February 14, 2025	\$ 1.00	\$ 1,117	0.26%
Repurchase Offer #3	March 3, 2025	March 14, 2025	March 14, 2025	\$ 1.01	\$ 955	0.22%
Repurchase Offer #4	April 1, 2025	April 14, 2025	April 14, 2025	\$ 1.00	\$ -	0.00%
Repurchase Offer #5	May 1, 2025	May 14, 2025	May 14, 2025	\$ 1.00	\$ -	0.00%
Repurchase Offer #6	June 2, 2025	June 13, 2025	June 13, 2025	\$ 1.01	\$ -	0.00%
Repurchase Offer #7	July 1, 2025	July 15, 2025	July 15, 2025	\$ 1.00	\$ -	0.00%
Repurchase Offer #8	August 1, 2025	August 14, 2025	August 14, 2025	\$ 1.00	\$ -	0.00%
Repurchase Offer #9	September 2, 2025	September 15, 2025	September 15, 2025	\$ 1.01	\$ -	0.00%
Repurchase Offer #10	October 1, 2025	October 15, 2025	October 15, 2025	\$ 1.00	\$ -	0.00%
Repurchase Offer #11	November 3, 2025	November 14, 2025	November 14, 2025	\$ 1.00	\$ -	0.00%
Repurchase Offer #12	December 1, 2025	December 12, 2025	December 12, 2025	\$ 1.01	\$ -	0.00%

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

To the Board of Trustees and the Shareholders of 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, 2025, 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 five years in the period then ended. 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, 2025, 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 five years in the period then ended, 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, 2025, 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 27, 2026

Arca U.S. Treasury Fund
SUPPLEMENTAL INFORMATION (Unaudited)
December 31, 2025

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

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
Bruce H. Park, 47	Trustee since 2019	VP Treasury, Molina Healthcare (2018 - Present)	1	Director, Matrix Partners India Investments IV, LLC (2022 - Present)
Daniel A. Strachman, 53	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 for the hedge fund, mutual fund and private equity fund industries) (Dec 2015- present)	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)
Michael L. Ceccato, 67	Trustee and Audit Committee Chairman since 2024	Senior Vice President and Compliance Officer, U.S. Bank N.A. (March 2018 – July 2023); Senior Vice President (March 2015 – July 2023) and Chief Fund Compliance Officer, U.S. Bank Global Fund Services, LLC (September 2009 – July 2023); Chief Compliance Officer, Anti-Money Officer and Vice President, Advisor Series Trust (September 2009 – May 2023) and Total Fund Solution Trust (October 2022 – July 2023)	1	N/A

Arca U.S. Treasury Fund
SUPPLEMENTAL INFORMATION (Unaudited)(Continued)
December 31, 2025

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, 52	Trustee, Chairman of the Board since 2019	Co-Founder, Arca Capital Management LLC (Nov. 2019 – present); Co-Founder and Chief Legal Officer, Praesidium Partners, Inc. (parent holding company), and Arca Investment Management, LLC (investment adviser) (May 2018 - present); Chief Legal Officer and Secretary, Praesidium Holdings, Inc. (2025 – present)	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, 45	Portfolio Manager and Chief Investment Officer since December 2019	Co-Founder and Chief Investment Officer, Arca Capital Management LLC, Praesidium Partners, Inc. (parent holding company), and Arca Investment Management, LLC (investment adviser) (May 2018 - present)
Philip Liu, 52	Chief Executive Officer since December 2019	Co-Founder and 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); Chief Legal Officer and Secretary, Praesidium Holdings, Inc. (2025 – present)
Vance Jeffery Sanders, 58	Chief/Principal Financial Officer since February 2021	Chief Financial Officer, Praesidium Partners, Inc. (January 2021 - Present); President, CFO 5280, LLC (June 2018 – Present); President, Oswego Holdings, LLC (Sept. 2013 – Present)
Robert Spengler, 44	Chief Compliance Officer since November 2024	Senior Principal Consultant, Foreside Fund Officer Services, LLC, (December 2020 – Present; Vice President, Compliance and Regulatory Consulting, Duff & Phelps, June 2018 – December 2020)
Jerald David, 51	President since December 2019	President Arca Capital Management, August 2019
Alyssa Miller, 30	Secretary since August 2022	AVP & Counsel, Ultimus Fund Solutions, LLC (August 2021 – present); Student, Suffolk University School of Law (2018 – 2021)
Jesse Hallee, 48	Assistant Secretary Since August 2022	Senior Vice President and Associate General Counsel (2022 – Present) and Vice President and Senior Managing Counsel (2019 - 2022), Ultimus Fund Solutions, LLC; Vice President and Managing Counsel, State Street Bank and Trust Company (2013 -2019)

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?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureau	Yes	No
For our marketing purposes – to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	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 1-888-526-1997.

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