

# **GLOBAL ALLOCATION FUND**

*A Netherlands fund for joint account (“Fonds voor Gemene Rekening” or “FGR”)*

ISIN CODE CLASS A PARTICIPATIONS: NL0011936117

ISIN CODE CLASS B PARTICIPATIONS: NL0011936125

PROSPECTUS

JULY 2020

## CONTENTS

Clause	Page
1 EXECUTIVE SUMMARY .....	7
2 DEFINITIONS .....	10
3 THE INVESTMENT OPPORTUNITY .....	16
4 RISK FACTORS .....	18
5 LEGAL AND REGULATORY STRUCTURE OF THE FUND .....	28
6 FUND MANAGEMENT AND GOVERNANCE .....	31
7 ADMISSION TO THE FUND AND SUBSCRIPTIONS .....	40
8 TRANSFER AND REDEMPTION OF PARTICIPATIONS .....	43
9 COSTS AND EXPENSES.....	45
10 VALUATION, REPORTING AND INFORMATION DISCLOSURE.....	48
11 DISTRIBUTIONS .....	55
12 DUTCH TAXATION ASPECTS .....	56
13 POLICY REGARDING VOTING RIGHTS AND VOTING CONDUCT .....	57
14 ASSURANCE REPORT .....	58
15 DECLARATION OF THE FUND MANAGER .....	58
SCHEDULE 1 TERMS AND CONDITIONS OF MANAGEMENT AND CUSTODY .....	61
SCHEDULE 2 SUBSCRIPTION FORM.....	84
SCHEDULE 3 ANTI-MONEY LAUNDERING OBLIGATIONS OF THE FUND .....	84

## DIRECTORY GLOBAL ALLOCATION FUND

Office:	<p>Gustav Mahlerplein 3, 26<sup>th</sup> floor, HFC Plaza 1082 MS Amsterdam The Netherlands</p> <p>Attn: Robert Jan van Hoorn Tel: +31 (0)20 4626644 E-mail: <a href="mailto:info@priviumfund.com">info@priviumfund.com</a></p>
Fund Manager:	<p><b>Privium Fund Management B.V.</b> Gustav Mahlerplein 3, 26<sup>th</sup> floor, HFC Plaza 1082 MS Amsterdam The Netherlands</p> <p>Attn: Joost Akkerman Tel: +31 (0)20 4626644 E-mail: <a href="mailto:info@priviumfund.com">info@priviumfund.com</a></p>
Delegate :	<p><b>Box Consultants B.V.</b> Burgemeester Mollaan 72 5582CK Waalre The Netherlands</p>
Administrator:	<p><b>APEX Fund Services (Netherlands) B.V.</b></p> <p>Van Heuven Goedhartlaan 935 A</p> <p>1181 LD Amstelveen The Netherlands</p> <p>Tel: +31 (0)20 2254 592 E-mail: <a href="mailto:ssg@apexfs.com">ssg@apexfs.com</a></p>
Legal Owner:	<p><b>Stichting Juridisch Eigendom Global Allocation Fund</b></p> <p>Woudenbergseweg 11 3953 ME Maarsbergen the Netherlands</p> <p>Tel: +31 (0)343 430303 E-mail: <a href="mailto:info@teslincs.nl">info@teslincs.nl</a></p>
Depository:	<p><b>Darwin Depository Services B.V.</b></p>

	<p>Barbara Strozzi  101  1083 HN Amsterdam  The Netherlands</p> <p>Tel: +31 (0)20 2402576  E-mail: <a href="mailto:info@darwindepositary.com">info@darwindepositary.com</a></p>
Independent Auditor:	<p><b>EY - Ernst &amp; Young Accountants LLP</b>  Antonio Vivaldistraat 150  1083 HP Amsterdam  The Netherlands</p>
Custodian:	<p><b>ABN AMRO Clearing Bank N.V.</b>  Gustav Mahlerlaan 10  1082 PP Amsterdam  The Netherlands</p>
Legal and Tax Counsel:	<p><b>Van Campen Liem</b>  J.J. Viottastraat 52  1071 JT Amsterdam  The Netherlands</p>

## IMPORTANT NOTICE

*Capitalized terms and expressions in this Prospectus have the meaning ascribed to them in Section 2 (Definitions) of this Prospectus.*

Potential participants should review this Prospectus and its ancillary documents carefully and consult their legal and financial advisers to ascertain possible legal, financial, tax or other issues related to the acquisition, holding, transfer or redemption of Participations.

The contents of this Prospectus are not to be construed as an invitation to invest or as investment, legal or tax advice. The Participations are an appropriate investment only for professional and other investors who are capable themselves of evaluating the merits and risks of an investment in the Fund.

Potential participants should review in particular the risk factors set out in Section 4 (*Risk factors*) of this Prospectus. The Fund carries a high degree of risk and is suitable only for persons who can assume the risk of losing their entire investment. There is no guarantee that the Fund will achieve its Fund Objective. The value of your investments may fluctuate. Returns on past investments are no guarantee as to the returns on future investments.

The Fund Manager accepts responsibility for the information contained in this Prospectus. To the best knowledge and belief of the Fund Manager (which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the importance of such information.

The information herein is subject to change at any time. Neither the delivery of this Prospectus nor the offer, issue or sale of Participations will, under any circumstances, constitute a representation that the information contained in this Prospectus and its ancillary documents is correct at any time subsequent to the date of this Prospectus as printed on the cover of this Prospectus.

No person has been authorized to provide any information or make any representation in connection with the Fund, other than the information and representations contained in this Prospectus and its ancillary documents. Any such other information or representations, if given or made, should not be relied upon as having been authorized by the Fund Manager.

The Fund Manager is in possession of an AFM license as referred to in article 2:65(a) FSA, and as a consequence may offer the Fund to professional and non-professional investors within the Netherlands. The Fund Manager is subject to conduct of business and prudential supervision by the AFM and DNB.

The distribution of this Prospectus and the offer, sale and delivery of the Participations in certain jurisdictions may be restricted by law. No action has been or will be taken to permit the distribution of this Prospectus in any jurisdiction where any action would be required for such purpose or where distribution of this Prospectus would be unlawful.

This Prospectus does not constitute an offer for, or an invitation to subscribe to or purchase, any Participations in any jurisdiction to any person to whom it is unlawful to make such offer or

invitation in such jurisdiction. Persons into whose possession this Prospectus comes are required to inform themselves about and observe any such restrictions.

This Prospectus will be published in the English language only. This Prospectus will be governed by and construed in accordance with the laws of the Netherlands. Translations into English of Dutch legal terms used in this Prospectus are for convenience only and shall not influence the interpretation thereof.

## **1 EXECUTIVE SUMMARY**

### **1.1 Introduction**

The following is a brief summary only and is qualified in its entirety by the more detailed information appearing in the body of this Prospectus. Information in this executive summary is not intended to be exhaustive and should always be read in conjunction with the full text of this Prospectus. The information provided in this summary has been updated until and reflects the situation as per the date mentioned on the cover page of this Prospectus.

### **1.2 The Fund, Fund Manager and Legal Owner**

The Fund will invest in a diversified portfolio of Investment Funds (including hedge funds or other (alternative) collective investment vehicles worldwide), listed Investee Companies, stocks, bonds, futures, currency forward contracts and in commodity related instruments including, but not limited to exchange-traded funds (“ETF’s”), exchange-traded products (“ETP’s”), real estate investment trusts (“REIT’s”), index funds and structured products.

Privium Fund Management B.V. will act as the manager (*beheerder*) of the Fund and Stichting Juridisch Eigendom Global Allocation Fund will act as the legal owner of the assets and liabilities of the Fund. In managing the assets and liabilities of the Fund, the Fund Manager will act solely in the best interests of the Participants. The Legal Owner will be the legal owner of all assets of the Fund and liabilities of the Fund. The Legal Owner will acquire and hold the assets of the Fund and assume the obligations for the account and risk of the Participants. The Legal Owner will act solely in the best interests of the Participants.

### **1.3 Investment Objective and Strategy**

The Fund’s objective is to achieve long term capital growth. To achieve this, the strategy of the Fund is to invest in a in diversified portfolio of Investment Funds (including hedge funds or other (alternative) collective investment vehicles worldwide), listed Investee Companies, stocks, bonds, futures, currency forward contracts and in commodity related instruments including, but not limited to ETF’s, ETP’s, REIT’s”, index funds and structured products.

### **1.4 Legal, Tax and Regulatory Aspects**

#### **1.4.1 Legal Structure**

The Fund is not a legal entity (*rechtspersoon*) but a contractual arrangement *sui generis* between the Fund Manager, the Legal Owner and each of the Participants separately, governing the assets and liabilities acquired or assumed by the Legal Owner for the account and risk of the Participants. The Fund has an open-ended structure. The Fund is governed by the Terms and Conditions. By executing the Subscription Form, a Participant represents and warrants to have reviewed the Terms and Conditions and agrees to be bound thereby. A Participant is admitted to the Fund by the issuance of Participations to the Participant.

The Fund shall have two (2) classes of Participations. Class A Participations and Class B Participations. All Classes provide exposure to the same Investment Objective and Investment Strategy. The sole

difference between the different Classes is that Class A Participants will pay a lower Management Fee, due to the fact that the Delegate will waive its delegation fee that is payable out of the Management Fee for this Class. Only investors that are a client of the Delegate shall be issued Class A Participations against each such Participant's individual subscription. Other Participants subscribing will be issued Class B Participations, unless otherwise determined by the Fund Manager in its sole discretion. The Participations are redeemable on certain conditions as set forth in this Prospectus and the Terms and Conditions.

#### **1.4.2 Tax Aspects**

The Fund qualifies as a transparent or "closed" fund for joint account for Dutch tax purposes, since Participations can only be transferred to the Fund itself, as except for Permitted Transfers (as defined in Section 8.2 of this Prospectus), a transfer of Participations is not possible. Consequently, the Fund does not qualify as a taxable entity. Tax is therefore levied on the results and revenue of the investment at the level of the Participants and not at the level of the Fund itself. This implies that for Dutch tax purposes the Fund's results are directly allocated to the individual Participants in accordance with the size (and, if applicable, the duration) of their pro rata investment.

#### **1.4.3 Regulatory Position**

Fund Manager is in possession of an AFM license as referred to in article 2:65(a) FSA, and as a consequence may offer the Fund to professional and non-professional investors within the Netherlands. The Fund Manager is subject to conduct of business and prudential supervision by the AFM and DNB.

The AFM license of the Fund Manager has been issued prior to the implementation of the AIFMD in the Netherlands, and was automatically converted into an AIFMD license by the AFM on 22 July 2014, in accordance with the Netherlands AIFMD implementation schedule. This Prospectus is prepared in conformity with the FSA as in force on the date of this Prospectus.

Further information with respect to the regulatory position of the Fund is set forth in Section 5.2 of this Prospectus.

### **1.5 Fund Governance**

The Participants will hold meetings when called by the Fund Manager. The Fund Manager shall call a meeting of Participants (i) as often as the Fund Manager deems necessary in the interest of Participants and (ii) in case of one (1) or more Participants holding, in aggregate, at least 25% of the outstanding Participations request the Fund Manager to call such meeting.

### **1.6 Distribution Policy**

Any distribution to Participants shall be published on the Fund Manager's website. Distributions of Net Proceeds will be made in cash, in EUR. Frequent and regular distributions of Net Proceeds (including dividend distributions) by the Fund are not intended nor anticipated.

### **1.7 Minimum Investment, Subscriptions and Redemptions**

The minimum subscription amount is EUR 100,000 per Participant.



Section 7 of this Prospectus contains the subscription procedures. The Fund Manager reserves the right to reject an application in whole or in part.

A Participant cannot transfer its Participations, except for Permitted Transfers (as defined in Section 8.2 of this Prospectus), but will be able to redeem its Participations upon its request. The Fund Manager may suspend a redemption under certain conditions. Section 8 of this Prospectus contains the redemption procedures.

#### **1.8 Website**

The Fund Manager's website address is [www.priviumfund.com](http://www.priviumfund.com). All references to the Fund Manager's website in this Prospectus are references to the above website.

## 2 DEFINITIONS

Unless the context otherwise requires, the following capitalised terms used in this Prospectus shall bear the following meanings:

<b>“Administrator”</b>	means APEX Fund Services (Netherlands) B.V., a limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated and existing under the laws of the Netherlands, or such other administrator as may be appointed from time to time.
<b>"Affiliate"</b>	means a person directly or indirectly controlling or controlled by or under common control with the party at issue; the term "control" (and any derivative thereof) means - for the purpose of the definition of Affiliate - in respect of an entity the right (i) to exercise the majority of the voting rights in the meeting of shareholders (or similar meeting of investors, partners or other owners) of such entity, or (ii) to appoint the majority of the members of the body in charge of the day-to-day business of such entity, or (iii) to determine the policy and strategy of such entity.
<b>“AFM”</b>	means the Netherlands Authority for the Financial Markets ( <i>Stichting Autoriteit Financiële Markten</i> ).
<b>“AIFMD”</b>	means Directive 2011/61/EU of the European Parliament and of the Council on Alternative Investment Fund Managers and amending directives 2003/41/EC and 2009/65/EC.
<b>“Business Day”</b>	means any day on which banks are generally open for business in the Netherlands.
<b>“CITA”</b>	means the Dutch 1969 Corporate Income Tax Act ( <i>Wet op de vennootschapsbelasting 1969</i> ).
<b>“Class”</b>	means a class of Participations, being Class A or Class B;
<b>“Closing Date”</b>	means a date to be determined by the Fund Manager after the AFM has registered the Fund with the AFM register, being the date on which the Fund Manager accepts the first subscriptions.
<b>“Custodian”</b>	means ABN AMRO Clearing Bank N.V., a company ( <i>naamloze vennootschap</i> ) incorporated and existing under the laws of the Netherlands, or such other custodian as may be appointed from time to time.

<b>“Delegate”</b>	means Box Consultants B.V., a limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated and existing under the laws of the Netherlands, or such other delegate as may be appointed from time to time.
<b>“Delegated Regulation”</b>	means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012, supplementing the AIFMD with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision.
<b>“Delegation Agreement”</b>	means the Global Allocation Fund delegation agreement between the Fund Manager and the Delegate dated 14 August 2017 relating to the appointment of the Delegate to provide the Fund Manager with certain portfolio management and advisory services as a delegate in relation to the Fund.
<b>“Depositary”</b>	means Darwin Depositary Services B.V., a limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated and existing under the laws of the Netherlands, or such other depositary of the Fund as may be appointed from time to time in accordance with the Terms and Conditions.
<b>“DNB”</b>	means De Nederlandsche Bank N.V., the central bank of the Netherlands.
<b>“DTA”</b>	means the Dutch 1965 Dividend Tax Act ( <i>Wet op de dividendbelasting 1965</i> ).
<b>“Dutch GAAP”</b>	means generally accepted accounting principles in the Netherlands.
<b>“EUR” or “Euro”</b>	means the lawful currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended from time to time.
<b>“FSA”</b>	means the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> ).
<b>“Fund”</b>	means the contractual arrangements between the Fund Manager, the Legal Owner and each of the Participants in relation to the participation, management, custody and administration of the Fund as described in this Prospectus and the Terms and Conditions, also referred to as Global

Allocation Fund.

<b>“Fund Assets”</b>	means Investee Funds Interests, listed Investee Companies Interest, other securities and all other assets, including cash, that are held by the Legal Owner in accordance with the Fund Objective and Investment Restrictions in its own name for the account and risk of the Participants in connection with the Fund.
<b>“Fund Manager”</b>	means Privium Fund Management B.V., a limited liability company ( <i>besloten vennootschap met beperkte aansprakelijkheid</i> ) incorporated and existing under the laws of the Netherlands.
<b>“Fund Objective”</b>	means the objectives of the Fund as set forth in Section 3 of this Prospectus.
<b>“Fund Obligations”</b>	means the obligations which the Legal Owner assumes and/or incurs in its own name for the account and risk of the Participants in connection with the Fund.
<b>“Investee Companies”</b>	means public companies invested in by the Fund.
<b>“Investee Companies Interests”</b>	means interest in Investee Companies held by the Fund.
<b>“Investee Funds”</b>	means Investment Funds invested in by the Fund.
<b>“Investee Funds Interests”</b>	means interests in Investee Funds held by the Fund.
<b>“Investment Funds”</b>	means investment funds within the meaning of article 1:1 FSA (for the avoidance of doubt, including undertakings for collective investment in transferable securities).
<b>“Investment Restrictions”</b>	means the investment restrictions to be observed by the Fund Manager as set forth in Section 3 of this Prospectus.
<b>“Investment Strategy”</b>	means the investment strategy to be observed by the Fund Manager as set forth in Section 3 of this Prospectus.
<b>“Legal Owner”</b>	means Stichting Juridisch Eigendom Global Allocation Fund, a foundation ( <i>stichting</i> ) incorporated and existing under the laws of the Netherlands, or such other legal owner of the Fund Assets as may be appointed from time to time in accordance with the Terms and Conditions.

<b>"Management Fee"</b>	means the fee due by the Fund to the Fund Manager as remuneration for its management of the Fund as set forth in Section 10 of this Prospectus.
<b>"MSAF"</b>	means Multi Strategy Alternatives Fund, a fund for joint account (fonds voor gemene rekening) organized and established under the laws of the Netherlands, investing in a diversified portfolio of investment funds worldwide, predominantly hedge funds.
<b>"Net Asset Value"</b>	means the balance, expressed in EUR, of the fair value of the Fund Assets minus the value of the Fund Obligations, as determined based on the accounting and valuation principles of the Fund as set forth in Section 10.1 of this Prospectus.
<b>"Net Proceeds"</b>	means all dividends and interest and all divestment, redemption and other income and proceeds of the Fund, net of taxes, fees, costs and other charges to be borne by the Fund, and after payment of or making reasonable reservation for any obligations and expenses of the Fund.
<b>"Ordinary Consent"</b>	means the written consent of Participants together representing more than 50% of the issued and outstanding Participations.
<b>"Organisational Expenses"</b>	means all costs incurred in connection with the formation of the Fund as further set forth in Section 10 of this Prospectus.
<b>"Participant"</b>	means a natural or legal person, which participates in the Fund in accordance with the Subscription Form and the Terms and Conditions.
<b>"Participation"</b>	means a unit representing the rights of a Participant to a certain percentage of the Net Asset Value; each Participation belonging to a specific Class represents an equal interest in the Net Asset Value.
<b>"Prospectus"</b>	means this prospectus including its schedules, as amended from time to time.
<b>"Redemption Date"</b>	means the first Business Day of each week, the first Business Day of each month or, under certain circumstances as set out in the Terms and Conditions, such other day or days as the Fund Manager may from time to time determine at its sole discretion.

<b>“Redemption Notice”</b>	means the standard notice through which a request for redemption of Participations is made.
<b>“Redemption Price”</b>	means the Net Asset Value per Participation as at the Valuation Date immediately preceding the Redemption Date on which the relevant Participation is redeemed.
<b>“Register”</b>	means the register in which in respect of each Participant are entered its name, address and other contact details, the bank or securities account details on which the Participant wishes to receive payments, its tax status and the number of its Participations.
<b>“Special Consent”</b>	means the written consent of Participants together representing more than 75% of the issued and outstanding Participations.
<b>“Subscription Date”</b>	means the first Business Day of each week, the first Business Day of each month or, such other day or days as the Fund Manager may from time to time determine at its sole discretion.
<b>“Subscription Form”</b>	means the subscription form, by means of which the Participants accept the Prospectus and the Terms and Conditions, a template of which is attached hereto as <b><u>Schedule 2</u></b> .
<b>“Subscription Price”</b>	means the Net Asset Value per Participation as at the Valuation Date immediately preceding the Subscription Date on which the relevant Participation is issued.
<b>“Terms and Conditions”</b>	means the terms and conditions of management and custody ( <i>voorwaarden van beheer en bewaring</i> ) of the Fund as attached hereto as <b><u>Schedule 1</u></b> .
<b>“Total Redemption Amount”</b>	means the Total Redemption Price reduced by a discount described in Section 8.3 of this Prospectus, as applicable.
<b>“Total Redemption Price”</b>	means the Redemption Price multiplied by the relevant number of redeemed Participations.
<b>“Total Subscription Amount”</b>	means the Total Subscription Price increased by a charge described in Section 7.1 of this Prospectus, as applicable.
<b>“Total Subscription Price”</b>	means the Subscription Price multiplied by the relevant number of issued Participations.

**“USD” or “U.S. dollar ”**

means United States dollar, the lawful currency of the United States of America.

**“Valuation Date”**

means the last Business Day of each week and each month, or such other day or days as the Fund Manager may from time to time determine at its sole discretion.

### **3 THE INVESTMENT OPPORTUNITY**

#### **3.1 Fund Objective, Strategy, Performance Objectives**

##### **3.1.1 Fund Objective**

The Fund's objective is to achieve long term capital growth.

##### **3.1.2 Fund Strategy**

It is envisaged that the Fund will invest up to 20% of its assets in class C participation issued by MSAF, which is also managed by the Fund Manager and advised by the Delegate. MSAF will not charge any management fees on the class C participations issued to the Fund.

The portfolio will be managed actively, combining the goals of capital preservation with a reasonable risk adjusted return.

The portfolio will be managed subject to performance objectives and the Investment Restrictions set out below. The Fund Manager may only deviate from these provisions and change the Investment Strategy by amending this Prospectus and the Terms and Conditions in the way set forth in Section 5.1.6 of this Prospectus.

If the Fund holds investments denominated in currencies other than the EUR, this entails a foreign exchange risk. The Fund Manager therefore may, but is not under an obligation to, hedge foreign exchange risks if it considers this to be in the interest of the Participants.

The Fund may enter into any investment, divestment or other business transaction with any other funds managed by the Fund Manager or Affiliates of the Fund Manager or advised by the Delegate or with related party funds, on the terms and conditions as applicable under the relevant funds' documentation. Valuations in relation to any such transaction may be performed by one or more parties involved in such transaction.

##### **3.1.3 Fund Performance Objectives**

The performance objective of the Fund is to seek to deliver a reasonable risk adjustment return.

Measurement of performance will commence immediately after the Net Asset Value is calculated.

The performance objectives described in this Section 3.1.3 will be treated as targets only and should not be considered as an assurance or guarantee of the performance of the Fund or any part of it, or impose any additional liability on the Delegate or the Fund Manager. The Delegate and the Fund Manager will exercise reasonable professional care and skill with a view to achieving the objective.

#### **3.2 Fund Investment Restrictions**

The below restrictions will apply to the Fund Assets.



### 3.2.1 *Investment Thresholds*

Article 4:37(c)(5) FSA contains certain requirements for feeder AIFs within the meaning of article 4.1(m) of the AIFMD. Therefore, the Fund Manager shall not (i) invest 85% or more of the assets of the Fund in units or shares of (a) any one (1) Investment Fund, or (b) more than one (1) Investment Fund where such Investment Funds have identical investment strategies; or (ii) otherwise have an exposure of at least 85% of the assets of the Fund in any one (1) Investment Fund, unless it would believe to still be acting in compliance with article 4:37(c)(5) FSA, for instance if:

- a) following such investment or exposure the Fund shall not fall under the definition of a feeder AIF within the meaning of article 4.1(m) of the AIFMD; or
- b) the competent authorities so confirm.

### 3.2.2 *Borrowings*

The Fund Assets may be pledged to the Custodian to borrow against the Fund Assets, only for bridge financing purposes and limited to 20% of the assets managed. The Fund Manager is not allowed to lend any of the Fund Assets to any other third party. Otherwise, the Fund may not employ leverage.

## **4 RISK FACTORS**

### **4.1 Introduction**

An investment in the Fund carries a high degree of risk. There can be no assurance that the Fund will achieve its Fund Objective or that Investee Funds' investment policy and the Investee Companies' activities will be successful. The value of the Fund's investments and the Participations may fall as well as rise and returns on past investments are no guarantee as to the returns on future investments. Accordingly, Participants may lose all or part of their investment in the Fund. An investment in the Fund requires the financial ability and willingness to accept for an indefinite period of time the risk and lack of liquidity inherent in the Fund. Due to the Investment Strategy, the value of Fund Assets can strongly fluctuate. Potential participants should consider, among others, the non-exhaustive list of risks mentioned below, review this Prospectus and its ancillary documents carefully and in their entirety, consult with their professional advisors and conduct and subsequently rely upon their own investigation of risk factors associated with the proposed investment. Participants should realize that the existence and occurrence of certain risks may contribute to the existence and occurrence of other risks.

### **4.2 Risks Relating to the Fund**

#### *Performance*

The Fund's results will partly depend upon the performance of Investee Funds and Investee Companies' equities or debt instruments.

#### *Lack of Liquidity*

Some of the Fund Assets may be in assets, which are illiquid or may become illiquid under certain market conditions. Accordingly, it may not always be possible to purchase or sell those assets for their expected value or, if applicable, the prices quoted on the various exchanges. The Fund's ability to respond to market movements may be impaired and the Fund may experience severe adverse price movements upon liquidation of its Fund Assets.

#### *(Foreign) Currency Risk*

The Net Asset Value of the Participations may be affected by exchange rate fluctuations. As certain of the Fund Assets may be denominated in currencies other than the EUR while the Fund's accounts will be denominated in EUR, returns on certain Fund Assets may be significantly influenced by currency risk. The Fund Manager may hedge against a decline in the value of the Fund's non-EUR denominated Fund Assets. Should the Fund Manager decide to hedge the risk of currency devaluations or fluctuations, the Fund Manager may not always succeed in realizing hedges under acceptable conditions and consequently the Fund may be subject to the risk of changes in relation to the EUR of the value of the currencies in which any of its assets are denominated.

#### *Market Risks*

Markets may rise and fall and the prices of financial instruments and other assets on the financial markets in general, and more specifically the prices of assets of the nature and type

the Fund may invest in and hold, can rise and fall. A careful selection and spread of investments does not provide any guarantee of positive results. There may be various reasons why markets fall like recessions caused by a change in the economic business cycle or a pandemic.

#### *Restrictions on Transfers and Potential Illiquidity of Participations*

Participations may not be registered under any securities laws and, therefore, cannot be resold unless they are subsequently registered under such laws or regulations there under. Participations are also subject to restrictions on their transferability under the Terms and Conditions. There is no public market for the Participations and none is expected to develop. Under certain circumstances as set out in Section 8 of this Prospectus, the Fund Manager may suspend the redemption of Participations.

#### *Concentration of Investments*

The Fund may hold relatively few, large investments in relation to the size of the Fund. The Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected. Lack of liquidity may aggravate such losses significantly. In addition, the Fund may own a significant percentage of all of the shares or other securities issued by an Investee Fund or an Investee Company. It may not always be possible to dispose of such securities without incurring significant losses. Potential profits may not always be immediately realizable and may therefore be lost prior to realization.

#### *Non-diversified Status of Fund Assets*

The Fund may not be able to achieve adequate diversification in respect of geography, instrument and investment type, sector, capitalization, liquidity, volatility and/or currency. Consequently the Fund Assets may be subject to and experience greater risk and market fluctuation than a fund that has investments representing a broader range of investment alternatives.

#### *Counterparty Risk*

The Fund will be subject to the risk of the inability or refusal of payment or clearing institutions, principals or other service providers or other counterparties to its transactions, to perform or to perform in time under such services or transactions. Any such failure, refusal or delay, whether due to insolvency, bankruptcy or other causes, could subject the Fund to substantial losses. It is expected that the Fund Manager will seek to mitigate these risks by reviewing the creditworthiness and reliability of all service providers and counterparties and only entering into transactions with those parties that the Fund believes to be creditworthy and reliable.

#### *Inflation*

Due to inflation, the relative value of Participations may decline. The Fund will not specifically hedge inflation risk or take other measures to mitigate this specific risk.

### *Cyber security risk*

The Participants are exposed to the risk of a cyber attack or data breach at the level of the Fund Manager or at the level of the service providers. The Fund Manager and service providers have implemented measures to mitigate this risk as much as possible.

### *Changing Legislation*

The regulatory and tax environment for investment funds in general as well as certain financial instruments and other types of investments are evolving and changes therein may adversely affect both the Fund's ability to pursue its investment strategies and the value of its Fund Assets. The effect of any future regulatory or tax change on the Fund is impossible to predict. The fiscal status of the Fund may change during the term of the Fund. The Participants are urged to seek fiscal advice before participating in the Fund.

### *Unclear Legislation*

Unclear rules and regulations and conflicting advice may result in a breach of rules and regulations applicable to the Fund. Resulting fines and other sanctions and possible damage to the reputation of the Fund, the Fund Manager and other connected persons may result in a negative impact on the Net Asset Value of the Fund and the Participations.

### *Limited Rights of Participants*

The Fund Manager has exclusive authority for managing all operations of the Fund. Participants cannot exercise any management or control functions with respect to the Fund's operations, although they have limited voting rights in certain organizational respects as set forth in the Terms and Conditions.

### *Indemnification*

Under the Terms and Conditions, the Fund Manager and the Legal Owner are entitled to be indemnified out of Fund assets against costs, losses and expenses which they may incur or become liable in connection with the execution of their duties. In addition, the Depositary, Delegate, the Administrator and other service providers also are entitled to indemnity under the terms of their respective agreements for services. These obligations could require substantial indemnification payments out of the Fund Assets, provided however that the Depositary shall not be so indemnified with respect to any matter resulting from its negligent or intentional failure to properly fulfil its obligations in accordance with article 21(12) of the AIFMD, and no other person shall be so indemnified with respect to any matter resulting from its attributable breach (*toerekenbare tekortkoming in de nakoming*).

### *Redemption Risk and Restrictions*

The Fund is an open-ended fund and Participations may be redeemed at the request of a Participant in accordance with the restrictions of Section 8 of this Prospectus and the applicable terms of the Terms and Conditions. Accordingly, there can be no guarantee that the actual Redemption Price

reflects the Net Asset Value per Participation as at the date of submitting the Redemption Notice. The Fund Manager may further suspend the redemption of Participations if: (i) a state of affairs exists which constitutes a state of emergency as a result of which the sale of Fund Assets would, in the sole opinion of the Fund Manager, not be practical or would negatively affect the rights of other Participants; (ii) the Participant did not act in compliance with applicable legislation or the Terms and Conditions; (iii) for whatever reason, the valuation of Fund Assets or Fund Obligations to be sold cannot be promptly or accurately ascertained; or (iv) relevant exchanges are not open for business or the sale of Fund Assets is otherwise restricted or suspended. Redemptions may cause the Fund to dispose of assets in order to meet its redemption obligations earlier than anticipated or under less favorable market conditions than the Fund would otherwise have disposed of such assets. This may result in a lower Net Asset Value of the Fund generating lower or negative returns for the non-redeeming Participants. Significant redemptions may lead to significant losses to Participants, which remain invested in the Fund.

### *Futures*

The value of futures depends upon the price of the financial instruments, such as commodities, underlying them. The prices of futures are highly volatile, and price movements of futures contracts can be influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, investments in futures are also subject to the risk of the failure of any of the exchanges on which the Fund's positions trade or of its clearinghouses or counterparties.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a particular futures contract has increased or decreased by an amount equal to the daily limit, positions in that contract can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent the Fund from promptly liquidating unfavorable positions and subject the Fund to substantial losses or prevent it from entering into desired trades. In extraordinary circumstances, a futures exchange or other regulator could suspend trading in a particular futures contract, or order liquidation or settlement of all open positions in such contract.

The price of stock index futures contracts may not correlate perfectly with the movement in the underlying stock index because of certain market distortions. First, all participants in the futures market are subject to margin deposit and maintenance requirements. Rather than meeting additional margin deposit requirements, shareholders may close futures contracts through offsetting transactions that would distort the normal relationship between the index and futures markets. Secondly, from the point of view of speculators, the deposit requirements in the futures market are less onerous than margin requirements in the securities market. Therefore, increased participation by speculators in the futures market also may cause price distortions. Successful use of stock index futures contracts by the Fund is also subject to the investment manager's ability to correctly predict movements in the direction of the market.

### *Forward contracts*

A portion of the Fund's assets may be traded in forward contracts. Such forward contracts are not traded on exchanges and are executed directly through forward contract dealers. There is no limitation on the daily price moves of forward contracts, and a dealer is not required to continue to make markets in such contracts. There have been periods during which forward contract dealers have refused to quote prices for forward contracts or have quoted prices with an unusually wide spread between the bid and asked price. Arrangements to trade forward contracts may therefore experience liquidity problems. The Fund, in trading forward contracts, will be subject to the risk of credit failure or the inability of or refusal of forward contract dealers to perform with respect to its forward contracts.

### *Exchange Traded Funds*

The Fund may invest in ETFs, which are shares of publicly-traded unit investment trusts, open-end funds, or depository receipts that seek to track the performance and dividend yield of specific indexes or companies in related industries. These indexes may be either broad-based, sector, or international. However, ETF trades like common stock and represents a fixed portfolio of securities designed to track a particular market index. The risks of owning an ETF shareholdings are generally reflect subject to the same risk as holders of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile. ETFs are also subject to other certain additional risks, including, without limitation: (a), the risk that their prices may not correlate perfectly with changes in the prices of the underlying securities they are designed to track; and (b) the risk of possible trading in an ETF halting in an ETF due to market conditions or other reasons that, in, based on the view policies of the exchange upon which an ETF trades, would make trading in the ETF inadvisable. An exchange-traded sector fund may also be adversely affected by the performance of that specific sector or group of industries on which it is based trades. In addition, the Fund may bear, along with other shareholders of an ETF, its pro rata portion of the ETF's expenses, including management fees. Accordingly, in addition to bearing their proportionate share of the Fund 's expenses (e.g., the management fee and operating expenses), shareholders may also indirectly bear similar expenses of an ETF, which can have a material adverse effect on the return on capital of the Fund.

### *Exchange Traded Products*

The Fund may hold ETPs to gain exposure to commodities. As a result, the Fund is subject to the same risks as the underlying ETPs. While the risks of owning shares of an underlying ETP generally reflect the risks of owning the underlying commodities contracts and exposure the ETP holds, lack of liquidity in an underlying ETP can result in its value being more volatile than the metal itself. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETPs. ETPs that invest in commodities contracts and exposure may be, or may become, subject to regulatory trading limits that could hurt the value of their securities and could affect the Fund's ability to pursue its investment objectives as described in this Prospectus.

### *Risks Related to Investing in Commodities*

The Fund may invest in commodity ETFs or ETPs. Exposure to commodities may subject the Fund to greater volatility than investments in traditional securities. The value of commodities may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or sectors affecting a particular industry or commodity, such as drought, floods, weather, embargoes, tariffs and international economic, political and regulatory developments.

#### *Real Estate-Related Securities*

The Fund may invest in securities issued by entities which invest in real estate such as "real estate investment trusts". Real estate investments generally will be subject to the risks incident to the ownership and operation of commercial real estate and/or risks incident to the making of nonrecourse mortgage loans secured by real estate. Such risks include, without limitation, the risks associated with both the domestic and international general economic climates, local real estate conditions, risks due to dependence on cash flow, risks and operating problems arising out of the absence of certain construction materials, changes in supply of, or demand for, competing properties in an area (as a result, for instance, of over-building), the financial condition of tenants, buyers and sellers of properties, changes in availability of debt financing; energy and supply shortages, changes in the tax, real estate, environmental, and zoning laws and regulations; various uninsured or uninsurable risks, natural disasters, and the ability of the Fund or third-party borrowers to manage the real properties. In addition, the Fund may incur the burdens of ownership of real property, which include the paying of expenses and taxes, maintaining such property and any improvements thereon, and ultimately disposing of such property.

#### *General Political Factors*

Investment results may be adversely affected by developments in countries in which the Fund Assets or counterparties are located. This may result in a partial or complete loss by the Fund as a result of the breakdown of the country's financial system. Such developments include, without limitation: war; civil unrest, ranging from protests to civil war; changes in the political situation and/or government of a country; acts of terrorism; expropriation and creeping expropriation; and inability to transfer moneys cross-border or convert moneys to hard currency.

### **4.3 General Risks Associated with Investments in Investee Funds and Investee Companies**

The risks similar to those cited with respect to the Fund might also apply to Investee Funds and Investee Companies, in addition to the specific risks which might be applicable to such Investee Funds and Investee Companies, such as:

#### *Capital Market Developments*

The profitability of Investee Companies and of portfolio companies of Investee Funds partly depends on the developments in the capital markets. Developments in both debt and equity markets may impact on the ability of such Investee Companies or portfolio companies to obtain debt financing or raise capital through share offerings. This may in turn impact the returns available for the relevant Investee Fund or Investee Companies.

#### *Non-listed Securities*

An Investee Fund may invest a large portion of its assets in securities that may not be listed or traded on an exchange or regulated market. The issue of such securities may not be monitored by an authority. There may also not be a secondary market monitored by the authorities for such instruments, and the liquidity of these instruments may accordingly be low. As these instruments may be issued by issuers who are new to the market or were only recently established, the selection of investments may not be based on detailed historical analyses of the issuer's activities. Consequently the risks and default risks for such investments may be much greater than for listed securities.

#### *Follow-on Investments*

An Investee Fund may have the opportunity or be requested to increase its investment in a particular portfolio company. In case an Investee Fund undertakes such follow-on investments, it may significantly increase its exposure to a particular portfolio company. In case it does not undertake such follow-on investments, this may have a negative impact on the returns of a particular portfolio company, or may lead to a dilution of the value of the relevant Investee Fund's investment.

#### *Private Equity Investments*

To a limited extent, the Investee Funds may invest in private equity capital. Investments with private equity characteristics typically involve uncertainties that cannot be compared to those arising in the case of other types of investments. In many cases, private equity investments involve companies that have been in existence for only a short time and which intend to establish themselves in an existing market or occupy new business areas. The business concepts behind these companies are usually based on new, innovative products or processes. Consequently, the process of forecasting the performance of such companies, their business concepts and potential sales is often fraught with uncertainty.

#### *Investment Strategy*

It should be borne in mind that the risk involved in these type of investments are greater than that normally associated with other types of investment, as the investment strategies can be subject to sudden, unexpected and substantial price movements. Consequently, the trading of such investments can lead to substantial losses as well as gains in the net asset value per share, unit or participation within a short period of time.

Investments may be made in markets that are volatile and/or which may become illiquid. Accordingly, although certain investments may give greater liquidity than an equity investment, it may be impossible (in the event of trading halts or daily price fluctuation limits on the markets traded or otherwise) or expensive to liquidate positions against which the market is moving. Alternatively, it may not be possible in certain circumstances for a position to be initiated or liquidated promptly (in the event of insufficient trading activity in the relevant market or otherwise). Accordingly, the ability to respond to market movements may be impaired. These risks may be accentuated where it is required to liquidate positions to meet margin requests, margin calls, redemption requests or other funding requirements.



Some of the investment strategies may include short selling which involves agreeing to sell securities at a future date although, at the time of such agreement, the securities to be sold may, or may not, be owned by the seller. The seller may, at times, have to borrow securities of the same type for delivery to the purchaser, with an obligation on the seller to replace any such borrowed securities at a later date. Short selling allows the investor to profit from declines in market prices to the extent such declines exceed the transaction costs and any costs of borrowing the securities. However, if the borrowed securities must be replaced by purchases at market prices in order to close out a short position, any appreciation in the price of the borrowed securities would result in a loss. Purchasing securities to close out a short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. There can be no guarantee that securities necessary to cover a short position will be available for purchase. In addition, in some markets there are rules prohibiting short sales at a price below the last sale price, which may prevent the short sales from being executed at the most desirable time.

Investments in derivatives involve significant risks and may result in losses. The prices of futures contracts and derivative instruments are highly volatile. These prices are influenced by, among other things, interest rates, implied volatility, dividend yield, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and political and economic events.

Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardized. Forward and 'cash' trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade, and these markets can experience periods of illiquidity, sometimes of significant duration. Disruptions can occur in any market traded due to unusually high trading volume, political intervention or other factors.

#### *Cash Management*

Investee Funds may enter into arrangements by which cash not required for trading purposes will be managed by the investment managers. Such arrangements may include the entry into repurchase or reverse repurchase transactions and other cash management arrangements, including holding cash in bank accounts or secured or unsecured deposits, or investing such cash in corporate or government bonds, or such other instruments as deemed appropriate by the investment manager.

A repurchase transaction involves the sale of securities by a seller to a buyer for a purchase price, and an agreement for the seller to repurchase such securities on a mutually agreed future date for the same purchase price, plus interest at a negotiated rate. From the perspective of the buyer, the transaction is referred to as a reverse repurchase transaction, and involves buying securities against payment of a cash price, with the buyer agreeing to resell the securities at a future date, and the original seller agreeing to repurchase such securities at the same price, plus interest at a negotiated rate. Such transactions are economically equivalent to a cash loan collateralised by the securities.

The use of repurchase and reverse repurchase agreements involves certain risks. For example, if the seller of securities under a reverse repurchase transaction defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, the Investee Funds seek to

dispose of such securities, which action could involve costs or delays. The Investee Funds may suffer a loss to the extent that the proceeds from the disposal of the underlying securities are less than the repurchase price due from the defaulting seller.

#### *Discretion of Investment Managers; Strategies, Instruments and Techniques*

The investment managers have discretion in the types of financial instruments which they may trade and have the right to modify the trading strategies, instruments or hedging techniques. Any of these new trading techniques may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings which could result in unsuccessful trades and, ultimately, losses to the companies. In addition, any new investment strategy, choice of instruments or hedging technique may be more speculative than earlier techniques and may increase the risk of an investment.

#### **4.4 Risks Relating to the Fund Manager**

Due to the insolvency, negligence or fraudulent actions of the Fund Manager, its officers or employees, the value of Participations may decline.

#### **4.5 Risks Relating to the Legal Owner, the Depositary and the Custodian**

Due to the insolvency, negligence or fraudulent actions of the Legal Owner, the Depositary and/or the Custodian, their officers or employees or third parties used for the custody of assets of the Fund, the value of Participations may decline and the Fund Assets may be lost.

#### **4.6 Risks Relating to Conflicts of Interests**

##### *Other Clients*

The Fund Manager and/or Affiliates of the Fund Manager may or will manage or advise clients other than the Fund. There can be no assurance that such services do not conflict with the interests of the Fund. Although the Fund Manager and the Legal Owner intend to manage potential and actual conflicts of interest issues in good faith in compliance with the Fund Manager's conflicts of interests policy, there can be no assurance that such conflicts of interest may be resolved in the best interests of the Fund should they arise.

##### *Transactions with the Fund Manager and its Affiliates*

The Fund Manager and its Affiliates may engage in certain related party transactions with the Fund. The Fund Manager and/or the Affiliates of the Fund Manager concerned will in such cases expect to receive a certain transaction consideration. Although the Fund Manager intends to manage potential and actual conflicts of interest issues in good faith in compliance with the Fund Manager's conflicts of interests policy, such arrangements could present incentives for the Fund Manager and its Affiliates adverse to the interests of the Fund.

##### *Diverse Participants*

Participants may have conflicting investment, tax and other interests with respect to their investments in the Fund. The conflicting interests may relate to, among other things, the nature of

Fund Assets, the structuring of Fund Assets and the timing of disposition of Fund Assets. As a consequence, conflicts of interest may arise in connection with decisions made by the Fund Manager that may be more beneficial for one Participant than for another Participant, especially with respect to Participant's individual tax situations. The Fund Manager will consider the investment, tax and other interests of the Fund and its Participants as a whole, not the investment, tax or other interests of any Participant individually.

*The foregoing factors are not exhaustive and do not purport to be a complete explanation of all the risks and considerations involved in investing in the Fund. In particular, the Fund's performance may be affected by changes in market conditions, and legal, regulatory and tax requirements. The Fund will be responsible for paying the fees, charges and expenses referred to in this document regardless of the level of profitability.*

*Potential Participants who are in any doubt as to the risks involved in investing in the Fund are recommended to obtain independent financial advice before making an investment.*

## 5 LEGAL AND REGULATORY STRUCTURE OF THE FUND

### 5.1 Legal Structure of the Fund

#### 5.1.1 Legal Form

The Fund is an open end investment fund (*beleggingsfonds*) as referred to in article 1:1 FSA and a fund for joint account (*fonds voor gemene rekening*) organised and established under the laws of the Netherlands.

Under the laws of the Netherlands, the Fund is neither a legal entity (*rechtspersoon*) nor a partnership, commercial partnership or limited partnership (*maatschap, vennootschap onder firma* or *commanditaire vennootschap*), but a contractual arrangement *sui generis* between the Fund Manager, the Legal Owner and each of the Participants separately, governing the assets and liabilities acquired or assumed by the Legal Owner for the account and risk of the Participants. In view of its legal form of fund for joint account the Fund is not eligible for registration in the Trade Register (*handelsregister*) of the Netherlands.

The Fund's office address is that of the Fund Manager, being Gustav Mahlerplein 3, 26<sup>th</sup> floor, HFC Plaza, 1082 MS Amsterdam, the Netherlands.

The Fund is managed by the Fund Manager. The Participants have no proprietary rights with respect to the assets of the Fund. The Legal Owner is the legal owner of all assets of the Fund. The Legal Owner will acquire and hold the assets for the purpose of management and custody (*ten titel van beheer en bewaring*) on behalf of and for the account of the Participants. Such interest of the Participants is represented by the Participations held by each of them.

The Legal Owner will grant a power of attorney to the Fund Manager under the Terms and Conditions to manage (*beheren*) the Fund Assets in accordance with the Terms and Conditions.

#### 5.1.2 Establishment, Term and Termination of the Fund

The Fund is established as of the first issue of a Participation and shall continue to exist for an indeterminate period of time. The Fund shall terminate upon the occurrence of any of the events set forth in article 24.1 of the Terms and Conditions.

#### 5.1.3 Classes of Participations

All Participants shall be treated fairly by the Fund Manager. The Fund shall have two (2) classes of Participations. Class A Participations and Class B Participations. All Classes provide exposure to the same Investment Objective and Investment Strategy. The sole difference between the different Classes is that Class A Participants will pay a lower Management Fee, due to the fact that the Delegate will waive its delegation fee that is payable out of the Management Fee for this Class. Only investors that are a client of the Delegate shall be issued Class A Participations against each such Participant's individual subscription. Other Participants subscribing will be issued Class B Participations, unless otherwise determined by the Fund Manager in its sole discretion. The holders of Class A Participations at any time wishing to increase their subscriptions, shall be issued Class A Participations.

There are no specific legal or economic links between the Fund or the Fund Manager on the one hand, and Participants subscribing for any particular Class on the other hand.

Each Participation belonging to a specific Class, with respect to the other Participations of such Class, represents an equal interest in the Net Asset Value without priority or preference of one over the other.

#### **5.1.4 Liquidation**

Upon termination of the Fund, no further business shall be conducted except for such action necessary for the winding up of the affairs of the Fund. A liquidation report shall be prepared in connection with the liquidation. The balance left after the liquidation shall be paid in cash to the Participants (pro rata to the numbers of Participations held by them, against cancellation of these Participations).

#### **5.1.5 Key Fund Documents, Governing Law and Jurisdiction**

The key documents governing the Fund (the “**Fund Documents**”) are:

- a) the Terms and Conditions. The Terms and Conditions represent the key organizational document of the Fund and amongst others set forth the agreement between the Fund Manager, the Legal Owner and each Participant concerning the management and custody on behalf of the Fund;
- b) this Prospectus; and
- c) the Subscription Form.

The Fund Documents will be governed by Dutch law. The competent court in Amsterdam, the Netherlands will have exclusive jurisdiction to settle any claims, actions or disputes arising out or in connection with the Fund Documents (subject to appeal as provided by law).

#### **5.1.6 Amendment of the Prospectus and the Terms and Conditions**

The Terms and Conditions and this Prospectus may be amended pursuant to a joint resolution of the Legal Owner and the Fund Manager.

A proposed amendment to the Terms and Conditions or this Prospectus shall be published on the website of the Fund Manager. In addition, an explanation to the proposed amendments will be published on the website of the Fund Manager.

Notice of amendments made will also be made on the website of the Fund Manager. In addition, an explanation to the amendments will be published on the website of the Fund Manager.

An amendment of the Prospectus or the Terms and Conditions causing a reduction in Participants’ rights or security, imposing costs on the Participants or causing a change to the Investment Strategy does not become effective in relation to the Participants until one (1) month following the date on which such notification has been published on the Fund Manager’s website. Participants have the right to redeem their Participations within this period following the date on which such notification has been disclosed.

### **5.1.7 Amendment of the prospectuses of Investee Funds**

The Fund Manager shall notify the Participants of any material amendment to the prospectus of any Investee Fund to which 50% or more of the assets of the Fund are allocated. Notice of amendments made will be made on the website of the Fund Manager. If an amendment to the prospectus of such Investee Fund (indirectly) causes a reduction in Participants' rights or security or (indirectly) imposes costs on the Participants, Participants have the right to redeem their Participations within one (1) month following the notification.

## **5.2 Regulatory Position of the Fund and Supervision**

### **5.2.1 Existing position**

The Fund Manager is in possession of an AFM license as referred to in article 2:65(a) FSA, and as a consequence may offer the Fund to professional and non-professional investors within the Netherlands. The Fund Manager, as an authorized alternative investment fund manager within the meaning of the AIFMD, may use the AIFMD marketing passport in order to offer the Participations to professional investors within the European Economic Area after notification to the AFM and subject to specific requirements of each such country where the Participations are offered. The Fund Manager is subject to conduct of business and prudential supervision by the AFM and DNB.

The AFM license of the Fund Manager has been issued prior to the implementation of the AIFMD in the Netherlands, and was automatically converted into an AIFMD license by the AFM on 22 July 2014, in accordance with the Netherlands AIFMD implementation schedule. This Prospectus is prepared in conformity with the FSA as in force on the date of this Prospectus.

### **5.2.2 Regulatory changes**

The regulatory environment for investment funds continues to evolve. In the light hereof, during the existence of the Fund, additional and/or amended legislation and regulations affecting the Fund, the Fund Manager, the Legal Owner, the Depositary and the Administrator may come into force.

The Legal Owner and the Fund Manager may amend the Fund Documents if the Legal Owner and the Fund Manager reasonably determine that a regulatory change has a material adverse effect on the Fund and/or the Legal Owner and/or the Fund Manager, such that (i) the material adverse effect of the applicable change is removed or mitigated, and (ii) the Fund shall bear its reasonable allocable portion of the costs in relation to the implementation of and compliance with the change (it being understood such allocation is in principle determined on the basis of the number of funds managed by the Fund Manager that fall within the scope of such change).

### **5.2.3 Professional liability risks**

To cover potential professional liability risks resulting from activities the Fund Manager carries out with respect to the Fund, the Fund Manager holds a professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered.

## 6 FUND MANAGEMENT AND GOVERNANCE

### 6.1 The Fund Manager

#### 6.1.1 *Introduction and Key Duties*

Privium Fund Management B.V. has been engaged to manage the investment of all of the assets of the Fund. Privium Fund Management B.V. was founded in 2012 and its predecessor was founded in 2007. Privium Fund Management B.V. is an asset manager with offices in Amsterdam, London and Hong Kong which focuses on alternative investments and employs several very experienced industry professionals.

The Fund Manager is responsible for the determination of the investment policy of the Fund. The Fund Manager is obliged to perform its investment activities in accordance with the Investment Strategy. The Fund Manager is also responsible for maintaining records and furnishing or causing to be furnished all required records or other information of the Fund to the extent such records, reports and other information are not maintained or furnished by the Administrator, the Legal Owner, the Depositary or other service providers.

The Fund Manager performs its services in accordance with the Terms and Conditions. Pursuant to the Terms and Conditions the Fund Manager has the full and exclusive power, discretion and authority to invest and manage the assets of the Fund.

The (daily) policy makers of the Fund Manager are on the date hereof:

- a) Clemens Hendrik Antonius Heijman; and
- b) Mark Baak

#### 6.1.2 *Delegation of Duties*

##### *Delegation of portfolio management duties and advisory services*

By means of the Delegation Agreement, the Fund Manager has appointed Box Consultants B.V. as a Delegate in accordance with article 20 of the AIFMD. The Fund Manager notified the AFM of its intention thereto prior to the entering into of the Delegation Agreement with the Delegate. Box Consultants B.V. is a limited liability company incorporated in 1981. Henri Rudolph Matthijs de Haan and Antonio Ronald de Vries are the present managing directors of the Delegate.

The Delegate is an investment firm (*beleggingsonderneming*) holding a license from the AFM to perform certain investment services, including asset management and investment advice. The Delegate is registered in the AFM register of investment firms.

Pursuant to the Delegation Agreement, the Delegate shall, acting in good faith and with diligence, perform certain portfolio management duties and advisory services with respect to the Fund. In this respect, subject to the overall control and responsibility of the Fund Manager and in accordance with the Fund Manager's instructions, the Delegate:

- a) will, on monthly basis, provide the Fund Manager with a model portfolio which includes the recommended composition of the Fund's portfolio based on the insights and view of the Delegate;
- b) will make investment recommendations or provide investment advices regarding potential new investments of the Fund, including performing initial research and due diligence activities on potential investments;
- c) will perform monitoring activities on the underlying investment of the Fund and will report their findings to the Fund Manager;
- d) may be asked to provide input regarding certain reporting;
- e) will participate in the Investment Advisory Committee meetings which take place on a monthly basis; and
- f) may perform certain activities which may support the sustainable capital raising activities regarding the Class B Participations.

The Delegate shall not be responsible for the day-to-day management of the Fund and shall not provide fund administration services or risk management services to the Fund Manager or the Legal Owner.

The appointment (delegation) shall not affect the Fund Manager's liability or obligations towards the Fund and its Participants

The power to make investment and divestment decisions shall remain the exclusive prerogative of the Fund Manager and the Fund Manager shall not be bound by any of the recommendations from the Delegate. The Delegate shall have no power under this Agreement to enter into any transaction or agreement on behalf of the Fund Manager or the Legal Owner (or for the purpose of the Fund) or to bind the Fund Manager or the Legal Owner (or the Fund Assets) in any other way, save where expressly authorized to do so by a decision of the Fund Manager made and confirmed in writing to the Delegate.

The Fund Manager shall directly remunerate the Delegate for the services rendered under the Delegation Agreement out of the Management Fee.

The Delegate may not sub-delegate any of the functions delegated to it, or any part thereof, without the prior written consent of the Fund Manager. Conditions regarding sub-delegation as set out in article 20 subparagraphs 4, 5 and 6 of the AIFMD and articles 75(f) and 81(2) of the Delegated Regulation shall apply to any such sub-delegation.

It is acknowledged by the Fund Manager and the Delegate that the Delegate provides investment services to third parties other than the Fund Manager or the Fund, and the Delegate shall ensure that such services to other parties shall not prejudice its services and obligations under this Agreement. There will be informal contact in a dynamic manner between the Fund Manager and the Delegate regarding amongst others any potential conflict of interest in connection herewith.

The Delegation Agreement is governed by and must be interpreted according to the laws of the Netherlands. The competent courts of Amsterdam, the Netherlands, and its appellate courts have



exclusive jurisdiction to decide on a dispute between the Fund Manager and the Delegate in connection with the Delegation Agreement.

#### *Delegation of other services*

The Fund Manager will delegate certain financial, accounting, administrative and other services to the Administrator and one or more other external service providers.

#### **6.1.3 Resignation and removal of the Fund Manager**

The Fund Manager shall resign as Fund Manager on certain grounds set forth in the Terms and Conditions. In case of resignation of the Fund Manager, the Participants shall by Ordinary Consent appoint a substitute Fund Manager.

The Participants may at any time by resolution taken by Special Consent remove the Fund Manager as the fund manager of the Fund, such removal to have effect after three (3) months from the date notified in writing to the Fund Manager. In case of removal of the Fund Manager, the Participants shall by Ordinary Consent appoint a substitute Fund Manager.

#### **6.1.4 Liability of the Fund Manager and Indemnification**

The Fund Manager shall only be liable towards the Participants for a loss suffered by them in connection with a breach of Fund Manager's duties and responsibilities under the Fund Documents that is attributable to it (*toerekenbare tekortkoming in de nakoming*).

Subject to certain restrictions set forth in the Terms and Conditions, the Fund Manager will be indemnified out of the assets of the Fund against liabilities and charges incurred in connection with the performance of its duties and services to the Fund.

#### **6.1.5 Funds Managed by the Fund Manager**

As at the date of this Prospectus, the Fund Manager manages the following investment funds:

- Dutch Mezzanine Fund I
- Dutch Mezzanine Fund II
- Multi Strategy Alternatives Fund
- Principia Fund N.V.
- Dutch Mezzanine Fund III
- Westermeerwind Aandelenfonds
- Aescap 2.0
- Privium Sustainable Impact Fund
- Still Equity Fund
- Global Allocation Fund
- Strategy One Fund
- Supermarkt Vastgoed FGR
- Windmill Trend Evolution Fund
- Westermeerwind Leningenfonds

## 6.2 The Legal Owner

### 6.2.1 Introduction

The appointment of a legal owner of fund's assets is mandatory under article 4:37j FSA in the case of a fund that is not a legal person. The Legal Owner is appointed to segregate the legal ownership of the Fund Assets from the Fund Manager in the interest of the Participants.

The Legal Owner:

- a) is a legal person entrusted with the safekeeping of the Fund Assets;
- b) is separate from the Fund Manager; and
- c) shall only act in the interest of the Participants.

Stichting Juridisch Eigendom Global Allocation Fund, a foundation (*stichting*) incorporated and organized under the laws of the Netherlands, having its official seat (*zetel*) in Amsterdam and its registered office at Woudenbergseweg 11, 3953 ME Maarsbergen, the Netherlands, and registered with the Trade Register of the Netherlands under registration number 30176226 will be the legal owner (*houder van de juridische eigendom van de activa van een beleggingsfonds*) of the Fund Assets within the meaning of article 4:37j FSA. TCS Governance B.V. forms the management board of the Legal Owner.

### 6.2.2 Key Duties

The key responsibilities of the Legal Owner are:

- a) to hold, for the account and risk of the Participants, legal title to all assets and rights of the Fund;
- b) to, as debtor, assume obligations and liabilities of the Fund; and
- c) to be the contracting entity in respect of all agreements entered into on behalf of the Fund.

The Legal Owner will do so at the instruction of the Fund Manager, but will not engage itself actively in the management of the Fund.

In acting as a legal owner (*houder van de juridische eigendom van de activa van een beleggingsfonds*) of the Fund Assets within the meaning of article 4:37j FSA, the Legal Owner shall act solely in the interests of the Participants. The Legal Owner will be fully and exclusively dedicated to the Fund and will not perform any other activities for the Fund than those referred to above. The statutory objects of the Legal Owner are limited to those of a legal owner as defined under the FSA.

### 6.2.3 Liability of the Legal Owner and Indemnification

The Legal Owner shall only be liable towards the Participants for a loss suffered by them in connection with a breach of Legal Owner's duties and responsibilities under the Fund Documents that is attributable to it (*toerekenbare tekortkoming in de nakoming*).

Subject to certain restrictions set forth in the Terms and Conditions, the Legal Owner will be indemnified out of the Fund Assets against liabilities and charges incurred in connection with the performance of its duties and responsibilities to the Fund.

## 6.3 The Depositary

### 6.3.1 Introduction

The appointment of an independent AIFMD-depositary (*bewaarder*) within the meaning of article 4:62m FSA is mandatory for an alternative investment fund established in the Netherlands and managed by a licensed Dutch fund manager. The Depositary is appointed to provide the duties as set out in article 21 AIFMD to the Fund in the interest of the Participants.

The Depositary:

- a) is a legal person entrusted with the AIFMD depositary duties;
- b) is separate from the Fund Manager; and
- c) shall only act in the interest of the Participants.

Darwin Depositary Services B.V., a limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated and existing under the laws of the Netherlands, having its official seat (*zetel*) in Amsterdam and its registered office at Barbara Strozilaan 101, 1083HN Amsterdam, the Netherlands, and registered with the Trade Register of the Netherlands under registration number 59855622 will be the depositary (*bewaarder*) of the Fund within the meaning of article 4:62m FSA.

### 6.3.2 Key Duties

Pursuant to a depositary agreement entered into among the Fund Manager and the Depositary (the “**Depositary Agreement**”), the key responsibilities of the Depositary are:

- a) to monitor the cash flows of the Fund (ensuring in particular that all payments made by or on behalf of Participants upon the subscription for Participations have been received and that all cash of the Fund has been booked in cash accounts opened in the name of the Legal Owner acting on behalf of the Fund or in the name of the Fund Manager acting on behalf of the Fund or in the name of the Depositary acting on behalf of the Fund with the proper entity);
- b) to provide safe-keeping of the Fund Assets (i.e. custody for financial instruments that can be held in a financial instruments account or that can be physically delivered to the Depositary, and verification of the ownership by the Legal Owner of all other assets);
- c) to verify the compliance of the Fund Manager with the investment restrictions as set out in the Prospectus;
- d) to ensure that transactions involving the Fund Assets, any consideration is remitted to the Fund within the usual time limits;
- e) to verify that appropriate procedures are established and applied for the valuation of the Fund Assets; and
- f) to perform various oversight duties with regard to the issue and redemption of Participations, remission of consideration for transactions by the Fund, application of income by the Fund.

The Depositary Agreement contains no option for the Depositary to transfer or re-use the Fund Assets, without the prior consent of the Fund Manager.

The Depositary may delegate the safekeeping of financial instruments that can be held in custody in accordance with art 21(11) of the AIFMD to the Custodian. No conflicts of interest is expected to arise from such delegation.

None of these duties may be delegated by the Depositary to a third party, except the safe-keeping duties as referred to under (b) above, which may be delegated to the Custodian. No conflict of interest is expected to arise from such delegation. The Depositary shall not be exclusively dedicated to the Fund, it may render services to other funds or fund managers.

### **6.3.3 *Liability of the Depositary and Indemnification, Termination***

The Depositary shall only be liable towards the Fund or the Participants for a loss suffered by them resulting from:

- a) Loss of financial instruments in custody with the Depositary in the meaning of article 21(8)(a) AIFMD, unless the Depositary can demonstrate that such loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequence of which would have been unavoidable despite all reasonable efforts to the contrary; or
- b) the Depositary's negligent or intentional failure to properly fulfil its obligations in accordance with article 21(12) AIFMD.

Subject to certain restrictions set forth in the Depositary Agreement, the Depositary will be indemnified out of the Fund Assets against liabilities and charges incurred in connection with the performance of its duties and services to the Fund.

The Depositary may, provided the conditions of article 21(13) AIFMD are satisfied, transfer the liability for loss of financial instruments to the Custodian, provided: (i) this is explicitly agreed with the Fund Manager, and (ii) pursuant to a written agreement between the Depositary and the Custodian stipulating that, the Custodian accepts liability towards the Participations for loss of financial instruments of which the custody has been delegated by the Depositary to the Custodian in accordance with article 21(11) AIFMD.

Each of the Fund Manager and the Depositary may terminate the Depositary Agreement with due observance of any applicable term, provided the Depositary shall continue to act as depositary of the Fund for such period as may be necessary for the appointment of a new depositary. Failing the appointment of a new depositary within sixty (60) calendar days after the termination of the Depositary Agreement, the Manager of the Fund shall call a meeting of Participants in order to request the Participants to decide by resolution taken by Ordinary Consent] upon appropriate measures to release the Depositary from its duties.

## **6.4 The Administrator**

### **6.4.1 *Introduction***

The Fund Manager has engaged APEX Fund Services (Netherlands) B.V. to provide, subject to the overall direction of the Fund Manager, certain financial, accounting, administrative and other services to the Fund.

#### 6.4.2 **Key Duties**

Pursuant to an administration agreement entered into among the Fund Manager, the Legal Owner and the Administrator (the “**Administration Agreement**”), the Administrator will be responsible, inter alia, for the following matters under the general supervision of the Fund Manager:

- a) the general administration of the Fund Assets and the Fund Obligations;
- b) the calculation of the Net Asset Value and the Net Asset Value per Participation;
- c) preparing the Fund’s semi-annual and annual financial accounts;
- d) the administrative processing of subscriptions and redemptions of Participations;
- e) performing know your customer and anti-money laundering procedures on (prospective) Participants;
- f) maintaining the register of Participants;
- g) performing due diligence on (prospective) Participants;
- h) providing information to the Fund Manager enabling the Fund Manager to comply with financial and regulatory reporting obligations; and
- i) providing information to the Depositary.

The Administrator will not provide any investment advisory or management services and therefore will not be in any way responsible for the Fund's performance.

#### 6.4.3 **Indemnification and Termination**

Subject to certain restrictions set forth in the Administration Agreement, the Administrator will be indemnified out of the assets of the Fund against liabilities and charges incurred in connection with the performance of its duties and services to the Fund.

The Fund Manager reserves the right to, at its own discretion, but with due observance of any applicable terms of the Terms and Conditions and the Administration Agreement, terminate the Administration Agreement and/or to appoint a substituting administrator.

#### 6.5 **The Custodian and the Prime Broker**

The Fund Manager has engaged ABN AMRO Clearing Bank N.V. to provide custody services to the Fund and to hold in custody the relevant Fund Assets pursuant to a custody agreement entered into among the Fund Manager and the Custodian.

The Fund Manager has not engaged a prime broker for the Fund.

#### 6.6 **Independent Auditor**

Ernst & Young Accountants LLP has been appointed as independent auditor of the Fund. Ernst & Young Accountants LLP is a member of the Netherlands Institute of Chartered Accountants and is under supervision of the AFM based on the Audit Profession Act (*Wet toezicht accountantsorganisaties*).

## **6.7 The Participants and Meetings of Participants**

### **6.7.1 Introduction**

(Prospective) Participants should realize that they are not permitted to engage in the investment operations of the Fund. Participants have certain information rights vis-à-vis the Fund Manager and the Legal Owner and can participate in the decision making process related to certain key aspects of the organisation of the Fund set forth in this Prospectus and the Terms and Conditions.

### **6.7.2 Meetings of Participants**

Meetings of Participants will only be held when called by the Fund Manager.

The Fund Manager must call a meeting of Participants (i) as often as the Fund Manager deems necessary in the interest of the Participants, and (ii) in case one (1) or more Participants holding, in total, at least 25% of the outstanding Participations request the Fund Manager in writing to call and hold such meeting, stating the matters to be placed on the agenda for such meeting.

Meetings of Participants will be held in Amsterdam, the Netherlands, or at such other place in the Netherlands as determined by the Fund Manager. Notice for a meeting of Participants will be published on the Fund Manager's website and sent to the (e-mail) addresses of the Participants at least fourteen (14) calendar days prior to the date of the meeting of Participants. Such notice will state the date, time, place and location and the agenda for the meeting and enclose any documents relevant for the meeting.

Each Participant has the right to attend the meeting and to speak at the meeting. A Participant may attend the meeting by proxy, provided that the power of attorney is set forth in writing and prior to the meeting submitted for verification to the chairman of the meeting.

### **6.7.3 Voting by Participants**

To each Participation is attached the right to cast one (1) vote. Resolutions require, as set forth in the Terms and Conditions, either a simple or a qualified majority of the votes that can be cast on all outstanding Participations being exercised in favour of the proposal.

## **6.8 Conflicts of interest**

### **6.8.1 General**

In the business and operations of the Fund, conflicts of interest may arise in respect of investment and divestment transactions, the hiring of services providers as well as other transactions. The Fund's organisational documents will provide for provisions safeguarding the appropriate equitable solution of such conflict of interest situation.

A key role in the resolution of conflict of interest situations will be played by the meeting of Participants, it being understood that except with the prior approval of the Participants by Ordinary Consent the Fund will not directly:

- a) enter into any transaction with the Fund Manager, the Legal Owner, any Participant or any of its or their Affiliates; or

- b) enter into any transaction at non-arm's length terms and conditions.

For the avoidance of doubt, the Fund may enter into any investment, divestment or other business transaction with any other funds managed by the Fund Manager or Affiliates of the Fund Manager or advised by the Delegate or with related party funds.

#### **6.8.2 *Involvement of the Fund Manager in Other Funds***

The Fund Manager and its Affiliates may advise and manage, and in the future may continue to advise and manage, other clients and/or investment funds having substantially similar fund objectives and investment strategy as those of the Fund.

The Fund Manager and its Affiliates will allocate investment opportunities among such clients and funds on an equitable basis in their good faith discretion, based on the applicable investment guidelines of such investors and funds, portfolio diversification requirements and other appropriate factors.

#### **6.9 Complaints Procedure**

A Participant can address a complaint related to the Fund, the Fund Manager or any service provider of the Fund to the management board of the Fund Manager in writing (which includes correspondence by e-mail). The Fund Manager will confirm receipt of such complaint and indicate in which manner the complaint will be dealt with within three (3) Business Days of the receipt of such complaint.

## **7 ADMISSION TO THE FUND AND SUBSCRIPTIONS**

### **7.1 Subscriptions**

#### **7.1.1 Conditions**

On any Subscription Date, provided the requirements of the Terms and Conditions have been met, the Fund Manager may, at its sole discretion, issue Participations at the request of a new or existing Participant set forth in a Subscription Form. The Participations shall be issued in Amsterdam, the Netherlands.

#### **7.1.2 In-kind Contributions**

If so requested by the subscriber in its Subscription Form, the Fund Manager may at its sole discretion agree that the Participations subscribed for by the subscriber and accepted by the Fund Manager will be paid-up in kind, as valued based on the valuation principles of the Fund.

#### **7.1.3 Subscription Price and Subscription Costs**

The Subscription Price of a Participation is equal to the Net Asset Value per Participation as at the Valuation Date immediately preceding the applicable Subscription Date. The Total Subscription Price is the applicable Subscription Price multiplied by the number of issued Participations. The minimum Total Subscription Price is EUR 100,000 per Participant.

Up to and including the Closing Date, Participations are offered at a price of EUR 100 per Participation. After the Closing Date, the Participations are offered at a price based on Net Asset Value per Participation calculated as at the Valuation Date immediately preceding the Subscription Date.

In order to determine the total amount due by the subscriber to the Fund in consideration for the issuance of Participations (the Total Subscription Amount), the Total Subscription Price might be increased by a surcharge equal to the amount of the subscription surcharge levied at the level of the relevant Investee Fund (the "**Investee Fund Surcharge**"), in the event a subscription surcharged is levied at the level of the relevant Investee Fund. It is not expected that a surcharge will be levied at the level of Investee Funds.

In case a Participant has paid an amount exceeding the Total Subscription Amount, this amount will be repaid to the Participant.

The Investee Fund Surcharge serves to compensate the Fund for the subscription surcharge levied at the level of the relevant Investee Fund and shall be for the benefit of the Fund.

#### **7.1.4 Procedure**

Applications for Participations must be made by submitting a duly signed and completed Subscription Form to the Administrator at least three (3) Business Days before the relevant Subscription Date as per which the applicant wishes to receive Participations.



Payment of the Total Subscription Amount must be received in EUR in the bank account of the Legal Owner as specified in the Subscription Form at least three (3) Business Days before the relevant Subscription Date as per which the applicant wishes to receive Participations (please refer to the Subscription Form for further payment details and instructions).

The Total Subscription Amount will always be denominated in EUR, but may be paid up in USD. Subscriptions paid in USD will be accepted against the USD/EUR exchange rate at the close of business of the Valuation Date immediately preceding the applicable Subscription Date.

If either (i) the signed and completed Subscription Form, or (ii) the Total Subscription Amount has not been received timely, no Participations will be issued and the application shall be retained until the next Subscription Date (for the avoidance of doubt, no interest shall be due). In that case, the Net Asset Value per Participation on that Subscription Date shall be the basis for the determination of the Subscription Price for any Participations issued as per that Subscription Date, subject to receipt of (i) and (ii).

The Fund Manager may decide, at its sole discretion, to (i) accept Subscription Forms which are not received timely (but not later than on the Valuation Date immediately preceding the relevant Subscription Date) and (ii) accept an application for Participations in case of overdue payment, provided that the Total Subscription Amount has been received on the Business Day prior to the relevant Subscription Date.

The Fund Manager reserves the right to accept or reject any application in whole or in part at its absolute discretion. When an application is rejected, the amount paid on application or the balance thereof (as the case may be) will be returned (without interest) as soon as practicable.

Completed applications are irrevocable once the relevant Subscription Form has been received by the Administrator and the Total Subscription Amount has been received in the bank account of the Legal Owner. Upon issuance of the Participations in satisfaction of an application, the Administrator will confirm the number and value of the Participations so issued. For the avoidance of doubt, the Participations subscribed to prior to the Closing Date, shall be issued on the Closing Date.

## **7.2 Participant Representations and Warranties and Prevention of Money Laundering**

### **7.2.1 Representations and Warranties**

The Subscription Form requires each applicant for Participations to make certain representations and warranties to the Legal Owner and the Fund Manager.

Persons subscribing on behalf of others, such as nominees, securities giro's and feeder and custody entities, will need to represent to the Fund Manager and the Legal Owner in an addendum to the Subscription Form certain additional representations, including but not limited to compliance with know your customer (KYC) and anti-money laundering (AML) rules.

### **7.2.2 Prevention of Money Laundering and Financing of Terrorism**

Measures aimed at the prevention of money laundering and financing of terrorism will require each applicant for Participations to evidence its identity to the Administrator (“KYC requirements”). The procedure used by the Administrator is stated in the Subscription Form and is compliant with the

Dutch Act on the prevention of money laundering and financing of terrorism (*Wet ter voorkoming van witwassen en financieren van terrorisme*) summarized in **Schedule 3** attached hereto.

The Administrator reserves the right to request such other information as is necessary to verify the identity of an applicant. Pending the provision of evidence satisfactory to the Administrator as to the identity, the evidence of title in respect of interests may be retained at the absolute discretion of the Administrator. If, within a reasonable period of time following a request for verification of identity, the Administrator has not received evidence satisfactory to it as mentioned above, the Fund Manager may, in its absolute discretion, refuse to allot the Participations applied for in which event the subscription proceeds will be returned without interest and/or less any other costs incurred by the Fund relating to the transaction of the applicant to the account from which such proceeds were originally debited.

In the event that changes in KYC requirements occur either in policy or in legislation after an investor's have been allotted, investors will be obliged to provide additional KYC documentation to satisfy such changed requirements within a reasonable period of time following a request for such additional documentation. Any investor who does not or cannot provide the additional KYC documentation may be forcibly redeemed from the Fund in accordance with the mandatory redemption provisions as set forth in the Terms and Conditions.

Investors should be aware that the Total Subscription Amount will be at risk once it has been invested in the Fund. An investor's failure to comply with applicable KYC requirements may result in the return of an amount lower than the Total Subscription Amount.

## 8 TRANSFER AND REDEMPTION OF PARTICIPATIONS

### 8.1 Introduction

Participations are not listed on a regulated stock exchange nor does the intention exist to apply for such listing in the foreseeable future. No developed unregulated market for Participations exists and no party has been instructed by the Fund or the Fund Manager to maintain a market for Participations. A transfer of Participations is not possible (other than as described in Section 8.2 of this Prospectus). Though the Fund is in principle obliged to redeem Participations at the request of a Participant, the Fund will under circumstances not be able and/or not obliged to do so.

Participations therefore might be a less liquid investment as expected by a Participant and (prospective) Participants should take into account that under circumstances they cannot liquidate such numbers of their Participations at such moments as they intend to.

### 8.2 Transfer of Participations

A Participant cannot transfer its Participations, except if such Participations are transferred to relatives in the straight line (a “**Permitted Transfer**”). Any such Permitted Transfer requires the prior written approval of the Fund Manager. For the avoidance of doubt, in case a Participant holds Participations for a beneficial owner pursuant to a custody relationship between such Participant and the beneficial owner, a change of custodian by such beneficial owner shall be subject to a prior approval of the Fund Manager, but shall not be deemed a transfer for the purpose of the transfer restrictions under this Prospectus and the Terms and Conditions.

### 8.3 Redemption of Participations at the Request of a Participant

On any Redemption Date, provided the requirements of the Terms and Conditions have been met and redemption of Participations is not suspended in accordance with Article 8.3.3, the Fund Manager will redeem Participations at the request of a Participant sent in writing to the Administrator.

The Fund Assets, including, for the avoidance of doubt, any bridge financing, will be sufficiently liquid to, under normal circumstances, allow the Fund to redeem Participations as requested by its Participants for at least 10% of the assets managed.

#### 8.3.1 *Redemption Price and Costs of Redemption*

The Redemption Price of a Participation is equal to the Net Asset Value per Participation as at the Valuation Date immediately preceding the applicable Redemption Date. The Total Redemption Price is the applicable redemption price multiplied by the number of redeemed Participations.

In order to determine the net amount due by the Fund to a Participant in consideration for the redemption of Participations (the Total Redemption Amount), the Total Redemption Price might be reduced by a discount equal to the amount of the redemption charge levied at the level of the relevant Investee Fund (the “**Investee Fund Discount**”), in the event a redemption charge is levied at the level of the relevant Investee Fund. It is not expected that a discount will be applied at the level of Investee Funds.

The Investee Fund Discount serves to compensate the Fund for the redemption charge levied at the level of the relevant Investee Fund and shall be for the benefit of the Fund.

### **8.3.2 Procedure**

Applications for the redemption of Participations should be submitted to the Administrator by means of a duly signed Redemption Notice specifying the details of the redemption at least three (3) Business Days before the relevant Redemption Date. Redemption Notices are irrevocable once received by the Administrator.

If the Redemption Notice has not been received timely, the application shall be retained until the next Redemption Date. In that case, the Net Asset Value per Participation as at the Valuation Date immediately preceding that next Redemption Date shall be the basis for the determination of the Redemption Price for any Participations redeemed as per that Redemption Date.

The Fund Manager may decide, at its sole discretion, to accept Redemption Notices which are not received timely (but not later than on the relevant Redemption Date).

The Total Redemption Amount will normally be paid to the redeeming Participant within five (5) Business Days after the release of the Net Asset Value of the applicable Redemption Date, provided that the Fund has received the redemption proceeds from the relevant Investee Fund, unless exceptional circumstances occur, in which case the consideration will be paid at the earliest possible Business Day thereafter.

### **8.3.3 Suspension of Redemption**

The Fund Manager may suspend the redemption of Participations if:

- a) the determination of the Net Asset Value has been suspended (see Section 10.2);
- b) a state of affairs exists which constitutes a state of emergency as a result of which the sale of Fund Assets would, in the sole opinion of the Fund Manager, not be practical or would negatively affect the rights of other Participants;
- c) the Participant did not act in compliance with applicable legislation or these Terms and Conditions;
- d) for whatever reason, the valuation of Fund Assets or Fund Obligations to be sold cannot be promptly or accurately ascertained; or
- e) for whatever reason, the redemption of the Investee Funds Interests is suspended at the level of the relevant Investee Fund, as applicable.

## **8.4 Mandatory Redemption of Participations**

The Fund Manager and the Legal Owner shall under certain extraordinary circumstances as set forth in the Terms and Conditions and with due regard to the general provisions and conditions relating to redemption of Participations be entitled to redeem all (but not part of) the Participations of any Participant.

## **9 COSTS AND EXPENSES**

### **9.1 Introduction**

In this Section 9 all costs and expenses related to the organisation, management and transactions of the Fund which will be paid by or charged to the Fund and accordingly result in a reduction of the Fund's Net Asset Value are described.

This Section does not refer to costs and fees charged to the Participants by the Fund upon a subscription for or redemption of Participations (for these costs and fees see Sections 7 and 8) or by their own service providers in connection with an envisaged investment in or divestment from the Fund (like fees and costs charged to a Participant by its advisors, banks or brokers).

All costs referred to in this Section will be allocated to the period to which they relate. Unless indicated otherwise, all costs will be brought at the charge of the Fund's profit and loss account.

All amounts and percentages mentioned in this Section 9 are exclusive of Dutch or foreign value added tax (VAT), if due. Under present legislation, the Fund cannot deduct VAT charged to the Fund.

### **9.2 Cost Categories**

#### **9.2.1 *Transaction costs***

Transaction costs inter alia include all costs of sourcing, evaluating, making, holding or disposing of Fund Assets, including, but not limited to, finders' fees, brokerage fees, (other) transaction costs and expenses and interest on investment-related borrowings. All transaction costs shall be borne by the Fund and be brought at the charge of the Fund's profit and loss account.

The Fund Manager will select transactional service providers on the basis of various considerations, like quality, promptness of performance of services and fee rates. Fee rates may not exceed market standard rates. The total amount of transaction costs from time to time is variable and depends on the number and size of transactions and applicable rates.

#### **9.2.2 *Fund Operational Costs***

Fund operational costs inter alia include, but are not limited to all costs of legal, tax, administrative, accounting, audit, (regulatory) reporting, regulatory fees, legal ownership and similar services and advices provided to the Fund and all costs of communications with and meetings of the Participants. All operational costs shall be borne by the Fund and be brought at the charge of the Fund's profit and loss account.

The Fund will pay to the Depositary in remuneration of (i) its service to the Fund, limited to AIFMD depositary duties and (ii) in remuneration of its service to the Fund as the sole member of the management board of the Legal Owner, limited to the holding of the legal ownership of Fund Assets, a total annual fee of 0.014% (i.e. one point four basis points) of the Net Asset Value subject to an annual minimum fee of EUR 24,000 (excluding VAT) plus an onboarding fee of EUR 2,500 (excluding VAT).

The Fund will pay the Administrator in remuneration for its services to the Fund, an annual fee equal to:

AUM	Costs
<100m	10bps
100m-200m	8bps
>200m	6bps

as of the last calendar day of each month, subject to an annual minimum fee of EUR 50,000 (excluding VAT) and EUR 5,000 (excluding VAT) per annum for the preparation of the (semi) annual statements.

For US FATCA, UK FATCA and CRS Reporting (Global FATCA) related services the Administrator will charge the Fund an annual fee of USD:

Number of Participants	FATCA fee
1 - 10	USD 4,000
11 - 20	USD 6,000
21 - 50	USD10,000
51 -100	USD15,000
101+	TBD

In addition, the Fund will pay to the Administrator an investor servicing fee of EUR 2,500 (excluding VAT).

The Fund will pay to EY in remuneration of its service to the Fund, an estimated fee equal to EUR 14,300 (excluding VAT) and the fee estimated at EUR 2,500 (excluding VAT) for the auditor's assurance report included in Section 14.

The Fund will bear all taxes, as applicable.

### 9.2.3 **Management Fee**

The Fund Manager is entitled to an annual Management Fee equal to:

- (i) Class A Participations: 0.10% (i.e. ten basis points) of the Net Asset Value; and
- (ii) Class B Participations: 1.10% (i.e. 110 basis points) of the Net Asset Value,

and excluding (i.e. before deduction of) the Management Fee, as at the last calendar day of each month, payable monthly in arrears out of the Fund Assets. Any changes to the Management Fee are subject to the prior approval of the Fund Manager and the Legal Owner.

After two (2) years from the Closing Date the total annual Management Fee retained by the Fund Manager after the payment of the delegation fee will be subject to a minimum of EUR 75.000 per annum.

For the avoidance of doubt the Fund shall not bear the cost of remunerating any employee of the Fund Manager or any of its Affiliates or any office rental, utilities or office equipment or other overhead or travel costs of any of their respective personnel, it being acknowledged that the Management Fee is intended to compensate the Fund Manager for such costs.

#### **9.2.4 Delegation Fee**

The Delegate is entitled to an annual delegation fee payable by the Fund Manager out of the Management Fee received by it on Class B Participations. The annual delegation fee equals 1% (i.e. 100 basis points) of the Net Asset Value of the Class B Participations (provided that two (2) years after the Closing Date the total annual Management Fee retained by the Fund Manager after the payment of the delegation fee equals at least EUR 75,000 per annum). The Delegate shall waive its right to receive delegation fee with respect to the Class A Participations, in order to avoid payment of double fees by the holders of Class A Participations since they are already clients of the Delegate. No delegation fees are borne directly by the Fund. This fee arrangement will be reviewed on an annual basis to determine if the agreed fee split between the Fund Manager and the Delegate is still mutually agreeable. As a result the fee arrangement might be amended. In this case a new agreement will be executed, the relevant provision in the Delegation Agreement will be amended and the AFM will be informed of such amendment.

#### **9.2.5 Custody Fee**

The Custodian is entitled to an annual custody fee of 0.035% of the Net Asset Value (i.e. three point five basis points) with a minimum of EUR 36,000 (excluding VAT).

#### **9.2.6 Organisational Expenses**

The Fund Manager shall charge the organisational and establishment costs (other than the costs otherwise described in this Prospectus) to the Fund Assets. Expenses in connection with the establishment of the Fund and organisational costs of the Fund, will be paid out of the Fund Assets, including (but not limited to) legal, accounting and tax advisory fees, incorporation expenses and travel costs.

Establishment costs (set-up costs) estimated at EUR 45,000 as reimbursement for the costs charged to the Fund Manager in connection with the formation of the Fund, including legal and tax advisory fees and regulatory costs and assurance report costs, which shall be activated and written off over a period of five (5) years.

#### **9.2.7 Costs Related to Investments in Investee Funds**

Costs related to investments in Investee Funds include the subscription price for Investee Funds Interests.

In respect of the Investee Funds, a management fee up to 2% per annum may be charged at the level of such Investee Funds and a performance fee up to 20%. In respect of MSAF, no management fee or performance fee shall be charged in connection with the Fund's investment therein.

In addition, the following fixed and variable fees and costs may be charged at the level of the Investee Funds: custodian and administrative fees, advisory fees, organizational expenses, agency fees, transaction costs, operational costs, secretarial services fee, accounting fees, etc. In implementing the investment strategies, allocations may be made by a number of methods, including investment funds, managed accounts and other investment vehicles. Accordingly, further fees and expenses are likely to be incurred at the level of such investment funds, managed accounts and other investment vehicles.

Subscription price for Investee Funds Interests shall be borne by the Fund and be brought at the charge of the Fund's profit and loss account. Other costs related to investments in Investee Funds shall be paid out of such relevant Investee Fund's assets.

### 9.2.8 Ongoing Charges Figure

The ongoing charges figure (OCF) is the total amount of the costs of the Fund incurred in a year - except for transaction costs, interest costs and costs related to the issue and redemption of Participations that are chargeable to the net assets of the Fund - expressed as a percentage of the Fund's average Net Asset Value for the year concerned. The OCF will be calculated at the end of each financial year and published annually in the Fund's annual reports.

The below table illustrates the expected OCF of the Fund:

Ongoing Charges Figure (estimate, based on an AUM of EUR 50 million)	Class A	Class B
Management Fee*	0.15%	1.15%
Administrator	0.12%	0.12%
Custodian	0.07%	0.07%
Audit & reporting	0.03%	0.03%
Depository and Legal Owner	0.06%	0.06%
Set-up costs	0.02%	0.02%
Other expenses	p.m.	p.m.
<b>Total</b>	<b>0.45%</b>	<b>1.45%</b>
<i>The OCF excludes costs from Investee Funds</i>		

- This is based on a minimum management fee of EUR 75,000 per annum.

### 9.3 General principles of remuneration policy Fund Manager

The Fund Manager maintains a careful, controlled and sustainable remuneration policy. The remuneration policy is consistent with and contributes to a sound and effective risk management and does not encourage risk taking beyond what is acceptable for the Fund Manager.



Variable payments to staff members in senior management roles are dependent on the profitability of the Fund Manager. Variable payments to identified staff outside senior management depend on the profitability of the Fund Manager and/or performance of the Fund.

The ESMA Guidelines on sound remuneration policies, have been used for defining the general principles with regard to remuneration.

## **10 VALUATION, REPORTING AND INFORMATION DISCLOSURE**

### **10.1 Valuation Principles**

The Fund Manager shall value the Fund Assets and Fund Obligations in accordance with Dutch GAAP and, where more specific, certain valuation methods set forth in the Terms and Conditions, whilst Dutch GAAP will prevail for financial reporting purposes should there be a conflict between the two.

The Investee Funds Interests shall be valued on the basis of the latest available valuation of Investee Funds Interests provided by the administrators or estimates provided by the investment manager of the relevant Investee Funds, as further set forth in the Terms and Conditions. The Fund Manager has delegated the calculation of the Net Asset Value to the Administrator. To ensure valuations received from administrators of the Investee Funds are appropriate, valuations are reviewed by the Fund Manager and the Administrator, based on the previous valuation received and other relevant information. Valuations that deviate materially from the previous valuation are further analyzed and if needed discussed with the manager or administrator of the relevant Investee Fund.

### **10.2 Reporting to Participants**

#### **10.2.1 *Financial year***

The financial year of the Fund shall begin on the first day of January and end on the thirty first day of December of the next calendar year. The first financial year of the Fund will begin on the Closing Date and will end on the thirty first day of December 2018.

#### **10.2.2 *Reporting on Net Asset Value***

Subject to certain exception grounds set forth in the Terms and Conditions, the Fund Manager shall as per each Valuation Date determine the Net Asset Value and the Net Asset Value per Participation. The Net Asset Value shall be expressed in EUR and be determined in accordance with the Fund's valuation principles referred to above.

The Fund Manager has delegated the determination of the Net Asset Value and the Net Asset Value per Participation to the Administrator. In determining the Net Asset Value of the Fund and the Net Asset Value per Participation, the Administrator will follow the valuation policies and procedures adopted by the Fund as set out above.

The Fund Manager may declare a suspension of the determination of the Net Asset Value and the Net Asset Value per Participation:

- a) if one or more stock exchanges on which Fund Assets are listed (or on which securities which belong to the assets of a collective investment scheme in which the Fund is invested are listed directly or indirectly), are closed on other days than normal days of closure or if the transactions on these exchanges are suspended or subject to irregular restrictions;
- b) if the communication means or calculation facilities normally used to determine the Net Asset Value no longer function or if, for any other reason, the value of a Fund Asset or Fund Obligation, cannot be determined with the speed or accuracy desired by the Fund Manager;

- c) if there are factors relating to the political, economic, military or monetary situation that make it impossible for the Fund Manager to determine the Net Asset Value; or
- d) if a resolution to liquidate the Fund is passed; or
- e) if the management board of an Investee Fund suspends the determination of the net asset value of the relevant Investee Funds Interests, as applicable.

When the Fund Manager is unable to determine the Net Asset Value and the Net Asset Value per Participation, the Participants will be informed hereof.

In case of errors in the calculation of the Net Asset Value, the Fund Manager will as soon as possible prepare a report on the errors that were made and which correction will need to be made to the Net Asset Value. If a correction is required of more than 0.5% of the Net Asset Value, and a Participant incurred a loss by an allocation or redemption against the erroneously calculated Net Asset Value, the Fund will at the request of such Participant provide compensation (in cash or in Participations) for the relevant Participant for the actual loss incurred. The compensation will be paid out of the Fund Assets.

#### **10.2.3 *Monthly reporting***

Within fifteen (15) Business Days after the end of each calendar month, the Fund Manager shall prepare a monthly report stating the total value of the Fund Assets, the Fund's asset mix, the number of outstanding Participations per Class and the most recently calculated Net Asset Value per Participation and the date on which the calculation was made. The monthly report shall be published on the AIFM's Website and is available for Participants free of charge at the offices of the Fund Manager.

#### **10.2.4 *Annual Reporting***

Within six (6) months after the end of each financial year of the Fund, Fund Manager shall, in accordance with the applicable legal requirements, prepare and publish the Fund's annual accounts (consisting of at least a balance sheet, profit and loss account and explanatory notes), annual report and other information for such financial year.

The annual accounts shall be drawn up in accordance with the applicable provisions of Title 9 of Book 2 of the Dutch Civil Code and published on the Fund Manager's website.

The Fund Manager will provide the Participants upon request and free of charge with copies of the annual accounts and the annual report, notwithstanding their compliance with other publication requirements under applicable laws.

#### **10.2.5 *Other Information***

The license provided to the Fund Manager pursuant to article 2:65 FSA and the Terms and Conditions shall be available for inspection at the office of the Fund Manager. A copy of the Terms and Conditions shall be provided by the Fund Manager upon request free of charge and shall be published on the Fund Manager's website. A copy of the Fund Manager's license and the Depositary Agreement shall be provided by the Fund Manager upon request at cost price.

Information regarding the Fund Manager, the Legal Owner and the Depository from the Trade Register of the Netherlands shall be provided by the Fund Manager upon request at cost price.

#### 10.2.6 **Information Regarding Investee Funds**

The Fund Manager, the Legal Owner and/or the Custodian, shall on behalf of the Fund in its capacity of the holder of the legal ownership of Investee Funds Interests, be entitled to receive and/or inspect documents which Investee Funds shall make available for the holders of interests in such Investee Funds. The Fund Manager may upon request and with the prior consent of the investment manager of the relevant Investee Fund provide certain information related to the Investee Funds to which 20% or more of the assets of the Fund are allocated to Participants at cost price.

#### 10.3 **Liquidity Risk**

The Fund Manager employs an appropriate liquidity risk policy and has adopted procedures which enable it to monitor the liquidity risk of the Fund and to ensure that the liquidity profile of the investments of the Fund complies with their underlying obligations. In particular, the Fund Manager can restrict redemptions on certain conditions as set out in the Terms and Conditions.

As and when relevant, but at least on a monthly basis, the Fund Manager shall periodically disclose to the Participants by e-mail:

- a) the percentage of the Fund Assets which are subject to special arrangements arising from their illiquid nature;
- b) any new arrangements for managing the liquidity of the Fund; and
- c) the risk profile of the Fund and the risk management systems employed by the Fund Manager to manage those risks.

#### 10.4 **Tax Reporting**

##### *The U.S. Foreign Account Tax Compliance Act*

Under the U.S. Foreign Account Tax Compliance Act (“**FATCA**”), the United States will impose a withholding tax of 30 per cent on certain U.S. sourced gross amounts not effectively connected with a U.S. trade or business paid to certain “Foreign Financial Institutions”, including the Fund, unless some information reporting requirements are complied with.

The Fund will use reasonable efforts to satisfy any obligations imposed on it in order to avoid the imposition of this withholding tax (except with respect to the interest of “recalcitrant account holders” as described in §1.1471-5(g)(2) of the Foreign Account Tax Compliance Act). A fund’s ability to satisfy its obligations under an agreement with the U.S. Internal Revenue Service (“**IRS**”) will depend on each participant of such fund providing the fund with any information, including information concerning the direct or indirect owners of such participant, that the fund determines is necessary to satisfy such obligations. Any such information provided to a fund will be shared either with the local tax authority or the IRS, depending on the Model of the Intergovernmental Agreement. An investment fund that is classified as subject to FATCA requirements will be required to register with the IRS and

obtain a Global Intermediary Identification Number (“**GIIN**”) and agree to have policies and procedures in place to identify certain direct and indirect U.S. account holders or equity holders. For these purposes the Fund would fall within the definition of a foreign financial institution (“**FFI**”) for the purpose of FATCA.

Each prospective Participant agrees by signing the Subscription Form to provide such information upon request from the Fund Manager or the Administrator. If a fund fails to satisfy such obligations or if a participant of a fund fails to provide the necessary information to such fund, as applicable, payments of U.S. source income and payments of proceeds will generally be subject to a 30 per cent withholding tax.

The Fund may exercise its right to completely redeem a participant that fails to provide the Fund or the Administrator with the requested information in order for the Fund to satisfy its FATCA obligations, and the Fund may take any other action deemed necessary in relation to a participant's shares or redemption proceeds to ensure that such withholding is eventually borne by the relevant participant whose failure to provide the necessary information gave rise to the withholding tax. Each prospective Participant in the Fund should consult their own tax advisor regarding the requirements under FATCA with respect to their own situation.

The Fund will endeavour to satisfy the requirements imposed on the Fund by FATCA to avoid the imposition of FATCA withholding tax. However, there can be no guarantee or assurance that the Fund will comply with all the requirements imposed by FATCA. In the event that the Fund is not able to comply with the requirements imposed by FATCA and the Fund does suffer US withholding tax on its investments as a result of non-compliance, the Net Asset Value may be affected and the Fund may suffer loss as a result.

#### *The Common Reporting Standard*

The Netherlands is one of multiple jurisdictions which have agreed to the automatic exchange of financial account information on the basis of the standard published by the Organisation for Economic Co-operation and Development (the "**Common Reporting Standard**" or the "**CRS**"). Financial institutions resident in jurisdictions which have agreed to the CRS, should report certain account holder information to their local tax authorities who will then exchange such information with countries where account holders are tax residents. It can provide timely information on non-compliance where tax has been evaded, particularly where tax administrations have had no previous indications of non-compliance.

For the purposes of efficiency, the CRS was deliberately built on the framework of FATCA and replicates many of its principles, although there is no withholding tax regime or requirement for reporting financial institutions to register with Foreign Tax Authorities (as defined below). Furthermore, certain CRS client classification, due-diligence and reporting requirements differ from or are more expansive to those deriving from FATCA. Further inter-governmental agreements will therefore be entered into with other third countries by the

Dutch government from time to time to enable reporting to such third countries' tax authorities ("**Foreign Tax Authorities**") as provided in the CRS.

By investing or continuing to invest in the Fund, Participants shall be deemed to acknowledge

that:

- a) the Fund is considered to (i) be a reporting financial institution under the CRS and the Fund (or its agent) will be required to disclose to the competent tax authority of the Netherlands certain confidential information in relation to the Participant, including but not limited to the Participant's name, address, tax identification number (if any), social security number (if any) and certain information relating to the Participant's investment;
- b) the competent tax authority of the Netherlands will be required to automatically exchange information as outlined above with the Foreign Tax Authorities;
- c) the Fund (or its agent) will be required to disclose to the Foreign Tax Authorities certain confidential information when registering with such authorities and if such authorities contact the Fund (or its agent directly) with further enquiries;
- d) the Fund may require the Participant to provide additional information and/or documentation which the Fund will be required to disclose to the competent tax authority of the Netherlands;
- e) in the event a Participant does not provide the requested information and/or documentation, whether or not that actually leads to breach of the applicable laws and regulations by the Fund, a risk for the Fund or the Fund's Participants being subject to withholding tax or penalties under the relevant legislative or inter-governmental regimes, the Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption or withdrawal of the Participant concerned;
- f) no Participant affected by any such action or remedy shall have any claim against the Fund (or its agent) for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Fund in order to comply with the CRS, any further inter-governmental agreements or any of the laws and regulations related to the CRS; and
- g) all information to be reported under CRS will be treated as confidential and such information shall not be disclosed to any persons other than the competent tax authority of the Netherlands and the Foreign Tax Authorities or as otherwise required by law.

Participants should ensure that their tax affairs are compliant with the laws and regulations applicable in their jurisdiction(s) of residence and/or citizenship (as applicable).

## **11 DISTRIBUTIONS**

### **11.1 Distributions Policy**

As primary Fund Objective of the Fund is to achieve capital growth, frequent and regular distributions of Net Proceeds (including profit distributions) by the Fund are not intended nor anticipated. However, the Fund Manager may, at its sole discretion and at any time, decide to distribute any Net Proceeds. It is expected that the Fund Manager will especially do so if the Fund Manager is of the opinion that there are no sufficient suitable investment opportunities to achieve the Fund Objectives. All distributions (including profit distributions) to the Participants will be made pro rata to the number of Participations held by each Participant.

Any distribution (including profit distributions) to the Participants, including the amount, composition and manner of payment, shall be published on the Fund Manager's website.

### **11.2 Form of Distributions**

Distributions of Net Proceeds (including profit distributions) will be made in cash, in EUR.

## **12 DUTCH TAXATION ASPECTS**

### **12.1 Introduction**

The following summary of certain Dutch taxation matters is based on the laws and practice in force as of the date of this Prospectus and is subject to any changes in law and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a Participant, and does not purport to deal with the tax consequences applicable to all categories of Participants. The tax and other matters described in this Prospectus do not constitute, and should not be considered as, legal or tax advice to prospective Participants. Participants should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of the Participations.

### **12.2 Taxation of the Fund**

The Fund qualifies as a transparent or “closed” fund for joint account Dutch tax purposes, since, Participations can only be transferred to the Fund itself since according to the Terms and Conditions, except for Permitted Transfers, a transfer of Participations is not possible (reference is made to article 17 of the Terms and Conditions) and Participations can only be redeemed by the Fund (i.e., on the basis of article 15 of the Terms and Conditions).

Consequently, pursuant to article 2(2) CITA the Fund does not qualify as a taxable entity. Tax is therefore levied on the results and revenue of the investment at the level of the Participants and not at the level of the Fund itself. This implies that for Dutch tax purposes the Fund’s results are directly allocated to the individual Participants in accordance with the size (and, if applicable, the duration) of their pro rata investment.

### **12.3 Withholding Taxes**

Distributions by the Fund are not subject to Dutch dividend withholding tax as a consequence of its transparency for tax purposes. Due to its transparency, the Fund itself is not entitled to any credit or refund of Dutch dividend withholding tax or (non-reclaimable) foreign withholding taxes withheld on dividends and interest received, nor can the Fund claim any benefits under a tax treaty concluded by the Netherlands with other states.

The tax transparency of the Fund also implies that any dividend withholding tax and foreign withholding taxes withheld on its investments are allocated to the Participants, *i.e.*, on a pro rata basis. In principle, such withholding taxes may be set off by the Participants, whereby the conditions that apply are the same as would be the case for a direct investment (pro rata) by the relevant Participant.

Several countries - including Australia, Austria, Belgium, Denmark, Ethiopia, Germany, Norway, South Africa, Switzerland, Taiwan, the United Kingdom and the United States- have confirmed that they will disregard a Dutch tax transparent mutual fund for withholding tax purposes.



### **13 POLICY REGARDING VOTING RIGHTS AND VOTING CONDUCT INVESTEE FUNDS AND INVESTEE COMPANIES**

The Fund Manager and the Legal Owner foresee on behalf of the Fund, in their capacity, respectively, of the holder of, or the holder of the legal ownership of, Investee Funds Interests or Investee Companies Interests, to attend the general meetings of shareholders/limited partners/members of the Investee Funds or Investee Companies and any relevant sole class or category meetings and to exercise the voting rights attached to such Investee Funds Interests or Investee Companies Interests while taking into account the Fund Objective.

## 14 ASSURANCE REPORT

To: the Fund Manager of Global Allocation Fund

### **Our opinion**

In accordance with Section 115x, subsection 1, under e, of the Besluit Gedragstoezicht financiële ondernemingen Wft (BGfo Wft, Decree on the Supervision of the Conduct of Financial Undertakings pursuant to the Act on Financial Supervision ), we have examined the prospectus of the fund manager of Global Allocation Fund, Amsterdam.

In our opinion the prospectus dated July 3, 2020 of Global Allocation Fund contains, in all material respects, at least the information required by or pursuant to the Wet op het financieel toezicht (Wft, Act on Financial Supervision) for a prospectus of an alternative investment fund.

### **Basis for our opinion**

We performed our examination in accordance with Dutch law, including Dutch Standard 3000A, “Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)” (Assurance engagements other than audits or reviews of historical financial information (attestation engagements)). This engagement is aimed to obtain reasonable assurance. Our responsibilities in this regard are further described in the Our responsibilities for the examination of the prospectus section of our report.

We are independent of Global Allocation Fund and Privium Fund Management B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in The Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Relevant matters relating to the scope of our examination**

Our examination consists of verifying that the prospectus contains the required information, which means we did not examine the accuracy of the information included in the prospectus.

Furthermore, Dutch law does not require the auditor to perform additional assurance procedures with respect to Section 115x, subsection 1, under c, of the BGfo Wft. Pursuant to Section 115x, subsection 1 under c of the BGfo Wft, the prospectus of an alternative investment fund contains the information which investors need in order to form an opinion on the alternative investment fund and the costs and risks attached to it.

Our opinion is not modified in respect of these matters.

### **Responsibilities of the manager for the prospectus**

The manager of the Global Allocation Fund is responsible for the preparation of the prospectus that contains at least the information required by or pursuant to the Wft for a prospectus of an alternative investment fund.

Furthermore, the fund manager is responsible for such internal control as it determines is necessary to enable the preparation of the prospectus that is free from material omission, whether due to error or fraud.

**Our responsibilities for the examination of the prospectus**

Our responsibility is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate assurance evidence for our opinion.

Our examination has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material omissions in the prospectus due to error and fraud.

We apply the “Nadere voorschriften kwaliteitssystemen” (NVKS, Regulations for Quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our examination included e.g.:

- Identifying and assessing the risks of material omissions of information required by or pursuant to the Wft in the prospectus, whether due to errors or fraud, designing and performing assurance procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material omission resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the examination in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the manager of the alternative investment fund

The Hague, July 3, 2020

Ernst & Young Accountants LLP

Signed by drs. R.J. Bleijs RA

## **15 DECLARATION OF THE FUND MANAGER**

The Fund Manager declares that the Fund, the Depositary, the Legal Owner and the Fund Manager itself are compliant with the rules and regulations laid down by and pursuant to the FSA.

The Fund Manager declares that this Prospectus is compliant with the rules and regulations laid down by and pursuant to the FSA.

This Prospectus has been prepared by the Fund Manager. The Fund Manager is responsible for the contents hereof. The information included in this Prospectus is true and no information has been omitted which, if included, would alter the meaning of this Prospectus.

The Prospectus shall be available at the Fund Manager's office. A copy of the Prospectus shall be provided by the Fund Manager upon request free of charge and shall be published on the Fund Manager's website.

**SCHEDULE 1**

**GLOBAL ALLOCATION FUND**

ISIN CODE CLASS A PARTICIPATIONS: NL0011936117

ISIN CODE CLASS B PARTICIPATIONS: NL0011936125

**TERMS AND CONDITIONS  
OF  
MANAGEMENT AND CUSTODY**

JULY 2020

## CONTENTS

Clause	Page
1	DEFINITIONS ..... 63
2	NAME, LEGAL FORM, TAX AND REGULATORY STATUS..... 63
3	TERM..... 64
4	FUND OBJECTIVE, INVESTMENT STRATEGY, INVESTMENT RESTRICTIONS ..... 64
5	MANAGEMENT AND ADMINISTRATION, LIABILITY OF THE FUND MANAGER ..... 65
6	AUTHORITY TO INVEST AND ADMINISTER..... 65
7	CONFLICTS OF INTEREST ..... 66
8	RESIGNATION OF THE FUND MANAGER..... 66
9	FUND ASSETS AND FUND OBLIGATIONS, THE LEGAL OWNER ..... 67
10	RESIGNATION OF THE LEGAL OWNER ..... 68
11	PARTICIPANTS, RIGHTS AND OBLIGATIONS OF THE PARTICIPANTS ..... 68
12	MEETINGS OF PARTICIPANTS, RESOLUTIONS OF PARTICIPANTS ..... 69
13	PARTICIPATIONS, REGISTER ..... 70
14	SUBSCRIPTIONS..... 71
15	REDEMPTION OF PARTICIPATIONS ..... 72
16	MANDATORY REDEMPTION OF PARTICIPATIONS ..... 74
17	TRANSFER AND ENCUMBRANCE OF PARTICIPATIONS ..... 74
18	FEES AND EXPENSES ..... 75
19	VALUATION PRINCIPLES..... 76
20	REPORTING ..... 78
21	DISTRIBUTIONS ..... 79
22	AMENDMENT TO THE TERMS AND CONDITIONS..... 79
23	REGULATORY CHANGES..... 80
24	DISSOLUTION AND LIQUIDATION ..... 80
25	INDEMNIFICATION ..... 81
26	MISCELLANEOUS..... 81
27	NOTICES ..... 82
28	APPLICABLE LAW AND COMPETENT COURT ..... 83

## **1 DEFINITIONS**

- 1.1 In these Terms and Conditions, except where terms are expressly defined herein, capitalized terms shall have the same meaning given to them in the Prospectus of Global Allocation Fund.
- 1.2 Reference in these Terms and Conditions to any law, statute or statutory instrument or governmental regulation shall be deemed to include any modification, amendment, extension or re-enactment thereof.
- 1.3 References in these Terms and Conditions to "persons" are references to companies, corporations, unincorporated associations, partnerships, all other (corporate) entities (*rechtspersonen*) as well as individuals and natural persons (*natuurlijke personen*).
- 1.4 In these Terms and Conditions the masculine shall include the feminine and the neuter and the singular shall include the plural and vice versa as the context shall admit or require.
- 1.5 In these Terms and Conditions the headings used are for ease of reference only and shall not be deemed to form any part of these Terms and Conditions.

## **2 NAME, LEGAL FORM, TAX AND REGULATORY STATUS**

- 2.1 The name of the Fund is: Global Allocation Fund.
- 2.2 The Fund is a fund for joint account (*fonds voor gemene rekening*) organised and existing under the laws of the Netherlands.
- 2.3 The Fund is an investment fund (*beleggingsfonds*) as referred to in article 1:1 of the FSA. The Fund Manager is in possession of an AFM license as referred to in article 2:65(a) FSA, and as a consequence may offer the Fund to professional and non-professional investors within the Netherlands. The Fund Manager is subject to conduct of business and prudential supervision by the AFM and DNB.
- 2.4 The Fund is under Dutch law not a legal entity nor a partnership, commercial partnership or limited partnership (*maatschap, vennootschap onder firma or commanditaire vennootschap*), but a contractual arrangement *sui generis* between the Fund Manager, the Legal Owner and each of the Participants separately, governing the assets and liabilities acquired or assumed by the Fund Manager or the Legal Owner for the account and risk of the Participants.
- 2.5 These Terms and Conditions form part of the contractual relationship existing between the Fund Manager, the Legal Owner and each Participant (separately) originating from the execution of the Participant's Subscription Form.
- 2.6 These Terms and Conditions do not form an agreement between any or all Participants among themselves and are not (otherwise) aimed at any cooperation among or between any or all Participants and no provision of these Terms and Conditions shall constitute or be interpreted as constituting any right or obligation existing between any or all Participants *vis-à-vis* each other or as a cooperation agreement (*samenwerkingsovereenkomst*) between the Fund Manager, the Legal Owner and any of the Participants.

- 2.7 A Participant's obligation to pay a consideration for Participations is a commitment (*verbintenis*) to the Legal Owner (represented by the Fund Manager) only. This commitment is no contribution (*inbreng*) or commitment to make contribution to any partnership.
- 2.8 The Fund qualifies as a transparent or "closed" fund for joint account for Dutch tax purposes, since Participations can only be transferred to the Fund itself (redeemed) as, except for Permitted Transfers, a transfer of Participations is not possible. Consequently, the Fund does not qualify as a taxable entity. Tax is therefore levied on the results and revenue of the investment at the level of the Participants and not at the level of the Fund itself. This implies that for Dutch tax purposes the Fund's results are directly allocated to the individual Participants in accordance with the size (and, if applicable, the duration) of their pro rata investment.

### **3 TERM**

The Fund is formed for an indefinite period of time but shall terminate upon the occurrence of any of the events set forth in Article 24.1.

### **4 FUND OBJECTIVE, INVESTMENT STRATEGY, INVESTMENT RESTRICTIONS**

- 4.1 The Fund's objective is to achieve long- term capital growth.
- 4.2 To achieve this objective, the strategy of the Fund is to invest in a diversified portfolio of Investment Funds (including hedge funds or other (alternative) collective investment vehicles worldwide), listed Investee Companies, stocks, bonds, futures, currency forward contracts and in commodity related instruments including, but not limited to exchange-traded funds, exchange-traded products, real estate investment trusts, index funds and structured products.
- 4.3 If the Fund holds investments denominated in currencies other than the EUR, this entails a foreign exchange risk. The Fund Manager may therefore hedge foreign exchange risks if it considers this to be in the interest of the Fund.
- 4.4 Article 4:37(c)(5) FSA contains certain requirements for feeder AIFs within the meaning of article 4.1(m) of the AIFMD. Therefore, the Fund Manager shall not (i) invest 85% or more of the assets of the Fund in units or shares of (a) any one (1) Investment Fund, or (b) more than one (1) Investment Fund where such Investment Funds have identical investment strategies; or (ii) otherwise have an exposure of at least 85% of the assets of the Fund in any one (1) Investment Fund, unless it would believe to still be acting in compliance with article 4:37(c)(5) FSA, for instance if:
- 4.4.1 following such investment or exposure the Fund shall not fall under the definition of a feeder AIF within the meaning of article 4.1(m) of the AIFMD; or
- 4.4.2 the competent authorities so confirm.
- 4.5 The Fund may enter into any investment, divestment or other business transaction with any other funds managed by the Fund Manager or Affiliates of the Fund Manager or advised by



the Delegate or with related party funds on the terms and conditions as applicable under the relevant funds' documentation.

## **5 MANAGEMENT AND ADMINISTRATION, LIABILITY OF THE FUND MANAGER**

- 5.1 The Fund Manager is charged with the management and administration of the Fund. The Fund Manager is, subject to these Terms and Conditions, entitled and authorised (i) to acquire (*verkrijgen*) and to dispose of (*beschikken over*) Fund Assets and to enter into and assume Fund Obligations in the name of the Legal Owner for the account and risk of the Participants, and (ii) to perform any and all other acts in its own name or in the name of the Legal Owner for the account and risk of the Participants which are reasonably necessary for or conducive to the attainment of the Fund Objectives. The Fund Manager's authority to act in the Legal Owner's name shall be subject to a power of attorney granted to the Fund Manager.
- 5.2 In the performance of its obligations and in the exercise of its rights, powers and authorities hereunder, the Fund Manager shall exercise the standard of care, skill, prudence and diligence under the circumstances then prevailing that a prudent (*zorgvuldig*) person acting in a like capacity and familiar with such matters would use in the conduct of managing an investment fund of like character, risk profile and Fund Objectives as the Fund, having regard to the provisions hereof.
- 5.3 In managing and administering the Fund, the Fund Manager shall act solely in the interest of the Participants. The management and administration of the Fund shall be performed for the account and risk of the Participants. Benefits and/or losses resulting therefrom shall consequently be for the benefit of or be borne by the Participants, without prejudice to the provisions of Article 11.3.
- 5.4 The Fund Manager shall only be liable towards the Participants for a loss suffered by them in connection with a breach of Fund Manager's duties and responsibilities under the Fund Documents that is attributable to it (*toerekenbare tekortkoming in de nakoming*).
- 5.5 The Fund Manager may contract other third parties in the exercise of its powers and duties under these Terms and Conditions and shall exercise reasonable prudence (*zorgvuldigheid*) in the selection of such third parties.

## **6 AUTHORITY TO INVEST AND ADMINISTER**

- 6.1 Subject to the Fund Objective, the Investment Strategy, the Investment Restrictions and this Article 6, the Fund Manager may invest in any eligible assets and assume eligible obligations. The determination of the Fund Manager as to whether or not the assets and obligations are of a type which may be acquired or held by or on behalf of the Fund in view of the Fund Objective, Investment Strategy and Investment Restrictions shall be conclusive.
- 6.2 It is the intention that subject only to the Investment Strategy and the Investment Restrictions and the specific restrictions mentioned herein, the Fund Manager shall have the broadest power and authority in making investments consistent with the investment powers herein provided. The Fund Manager shall have sole discretionary power to retain for as long a period

as it shall think proper and to manage, convert, exchange, transfer and dispose of the Fund Assets and Fund Obligations. The Fund Manager shall have and may exercise every right and privilege pertaining to management provided that the exercise of such right or privilege is consistent with these Terms and Conditions.

## **7 CONFLICTS OF INTEREST**

- 7.1 Except with prior approval of the Participants by Ordinary Consent, the Fund Manager (with respect to the Fund) will not, directly or indirectly:
- 7.1.1 enter into any investment, divestment or other business transaction (including, but not limited to, the hiring of service providers as referred to in Article 5.5) with the Fund Manager, the Legal Owner, any Participant or any of its or their Affiliates; or
  - 7.1.2 enter into any investment, divestment or other business transaction at non-arm's length terms and conditions.
- 7.2 For the avoidance of doubt, the Fund may enter into any investment, divestment or other business transaction with any other funds managed by the Fund Manager or Affiliates of the Fund Manager or advised by the Delegate or with related party funds.
- 7.3 The Fund Manager, with respect to the Fund, will not allocate and offer any investment opportunity sourced by it or otherwise offered or disclosed to it and falling within the restrictions set by the Fund Objective, Investment Strategy and Investment Restrictions to any other fund or entity managed or otherwise controlled by the Fund Manager or an Affiliate of the Fund Manager without having considered such opportunity as an investment opportunity for the Fund and, with the approval of the Participants by Ordinary Consent, subsequently having decided not to make the investment on behalf of the Fund.

## **8 RESIGNATION AND REMOVAL OF THE FUND MANAGER**

- 8.1 The Fund Manager shall resign, without any further action of any party being required:
- 8.1.1 with immediate effect upon its bankruptcy (*faillissement*) or dissolution (*ontbinding*) or upon the Fund Manager having been granted suspension of payments (*surséance van betaling*); and
  - 8.1.2 upon the provision of sixty (60) calendar days' notice to the Legal Owner, the Depositary and the Administrator,
- it being understood that no resignation of the Fund Manager shall be effective before the appointment of a successor Fund Manager, whether or not on a temporary basis, in accordance with the provisions of Article 8.3 has become effective.
- 8.2 The Participants may at any time by resolution taken by Special Consent remove the Fund Manager as the fund manager of the Fund, such removal to have effect after three (3) months from the date notified in writing to the Fund Manager.

- 8.3 The Participants shall no later than forty-five (45) calendar days after the date of occurrence of the event causing the resignation of the Fund Manager or after the Fund Manager has been notified of its removal, by resolution taken by Ordinary Consent appoint a substitute Fund Manager. As long as no successor Fund Manager has been appointed, the person designated for that purpose by the Legal Owner shall temporarily act as Fund Manager of the Fund.
- 8.4 Upon the effective date of the resignation or removal of the Fund Manager, any rights and obligations of the Fund Manager under these Terms and Conditions shall immediately cease to exist (it being understood that the Fund Manager remains entitled to its Management Fee and its reimbursements referred to in Article 18.2 to the extent allocable to an already expired period of time).
- 8.5 The Fund Manager hereby commits itself to cooperate fully in the transfer of its contractual position with the Participants, the Legal Owner and the Depository to a successor Fund Manager.

## **9 FUND ASSETS AND FUND OBLIGATIONS, THE LEGAL OWNER**

- 9.1 All Fund Assets shall be legally owned by and will be administered in the name of the Legal Owner. All Fund Obligations shall be assumed by the Legal Owner as debtor. All agreements of the Fund shall be entered into in the name of the Legal Owner.
- 9.2 The Legal Owner shall acquire and hold the Fund Assets for the purpose of management and custody (*ten titel van beheer en bewaring*) for the account and risk of the Participants and will receive any income and proceeds on or originating from Fund Assets paid to it by a custodian or the underlying obligor in a capacity of agent, nominee or otherwise on behalf and for the benefit of the Participants.
- 9.3 The Legal Owner shall assume the Fund Obligations in its own name for the account and risk of the Participants, as qualified by these Terms and Conditions and without prejudice to the provisions of Article 11.3.
- 9.4 The Legal Owner shall ensure that with respect to the Fund Obligations assumed and contracts entered into in the name of the Legal Owner, it shall be explicitly stipulated that (i) the Legal Owner is acting in its capacity as the legal owner of the Fund, and, unless the Legal Owner deems such statement in a specific contract not feasible, immaterial and/or not in the interests of the Participants, that (ii) the counterparty or counterparties undertake(s) to never seek recovery on anything other than the Fund Assets.
- 9.5 In acting as the legal owner of the Fund, the Legal Owner shall act solely in the interests of the Participants. The Legal Owner cannot represent (*vertegenwoordigen*) or bind the Participants.
- 9.6 The Legal Owner shall only dispose of the assets held by it in custody with the cooperation of the Fund Manager; for this purpose the Legal Owner hereby grants a power of attorney to the Fund Manager, with full powers of substitution, to perform all custody and asset management activities pursuant to the Terms and Conditions.

9.7 The Legal Owner shall only be liable towards the Participants for a loss suffered by them in connection with a breach of Legal Owner's duties and responsibilities under the Fund Documents that is attributable to it (*toerekenbare tekortkoming in de nakoming*).

## **10 RESIGNATION OF THE LEGAL OWNER**

10.1 The Legal Owner shall resign, without any further action of any party being required:

10.1.1 with immediate effect upon its bankruptcy (*faillissement*) or dissolution (*ontbinding*) or upon the Legal Owner having been granted suspension of payments (*surséance van betaling*); and

10.1.2 upon the provision of sixty (60) calendar days' notice to the Fund Manager, the Depositary and Administrator,

it being understood that no resignation of the Legal Owner shall be effective before the appointment of a successor legal owner, whether or not on a temporary basis, in accordance with the provisions of Article 10.2 has become effective.

10.2 Following or in anticipation of the resignation of the Legal Owner, the Participants shall no later than fifteen (15) calendar days after the date of occurrence of the event causing the resignation by resolution taken by Ordinary Consent appoint a substitute legal owner. As long as no successor legal owner has been appointed, the person or entity designated for that purpose by the Fund Manager shall temporarily act as legal owner of the Fund.

10.3 The Legal Owner hereby commits itself to cooperate fully in the transfer of its contractual position and all Fund Assets and Fund Obligations held by or registered in the name of the Legal Owner to a successor legal owner. In particular, the Legal Owner hereby (i) commits in advance to transfer all Fund Assets and Fund Obligations to the successive legal owner and to carry out all necessary in rem acts and other acts, and (ii) grants irrevocable power of attorney to the Fund Manager to in its name perform all acts referred to in or conducive to what is stated sub (i) of this Article 10.3.

## **11 PARTICIPANTS, RIGHTS AND OBLIGATIONS OF THE PARTICIPANTS**

11.1 Each Participant shall, subject to the qualifications set forth in these Terms and Conditions, be beneficially entitled to the Fund Assets and Fund Obligations and any income generated thereon pro rata the number of its Participations.

11.2 Each Participant shall be bound by and subject to these Terms and Conditions by submitting a signed Subscription Form to the Fund Manager. Each Participant will be provided with a copy of these Terms and Conditions.

11.3 The liability of a Participant vis-à-vis the Fund will be limited to the amount of the Total Subscription Amount due by the Participant in respect of its Participations to the extent not previously paid to the Legal Owner, but notwithstanding its liability by virtue of the law and these Terms and Conditions for its default on any of its obligations under these Terms and

Conditions and its Subscription Form. The Participants shall not be liable for the Fund Manager's obligations, the Legal Owner's obligations or the Fund Obligations.

## **12 MEETINGS OF PARTICIPANTS, RESOLUTIONS OF PARTICIPANTS**

- 12.1 Meetings of Participants will only be held when called by the Fund Manager. The Fund Manager must call a meeting of Participants (i) as often as the Fund Manager deems necessary in the interest of the Participants, and (ii) in case one (1) or more Participants holding, in total, at least 25% of the outstanding Participations request the Fund Manager in writing to call and hold such meeting, stating the matters to be placed on the agenda for such meeting, in which case the meeting must be held within fourteen (14) days after the date of the request.
- 12.2 The agenda for a meeting of Participants shall be determined at the sole discretion of the Fund Manager or, as the case may be, the Participant(s) who requested the Fund Manager to hold the meeting in accordance with the second sentence of Article 12.1. No valid resolutions can be taken on subjects not mentioned on the agenda unless such resolution is taken by unanimity of votes of all Participants.
- 12.3 Notice for a meeting of Participants will be published on the Fund Manager's website and sent to the (e-mail) addresses of the Participants in accordance with the provision of Article 27.1 at least fourteen (14) calendar days prior to the date of the meeting of Participants. Such notice will state the date, time, place and location and the agenda for the meeting and enclose any documents relevant for the meeting.
- 12.4 With any request of the Fund Manager for consent or approval by the Participants, the Fund Manager will prepare a memorandum providing background information on the matter. The memorandum will be sent to the Participants not later than simultaneously with the convocation.
- 12.5 A Participant may participate in a meeting by telephone. Meetings of Participants may be held by conference call unless a majority of the Participants in a specific case oppose against the holding of the meeting by conference call. Resolutions taken at such meeting need after the meeting to be confirmed in writing by the applicable majority of Participants in order to be valid.
- 12.6 A Participant may authorise (*volmachten*) another Participant or other person to attend a meeting of Participants (or participate in a meeting of Participants by telephone), to address the meeting and to vote at the meeting provided that the relevant power of attorney is validly set forth in a written document submitted prior to the meeting to the chairman of the meeting.
- 12.7 The Fund Manager shall appoint a chairman of the meetings of Participants unless the meeting is called at the request of one or more of the Participants in which case the requesting Participant(s) shall appoint the chairman of the meeting. The chairman shall be responsible for determining the procedure to be adopted for the conduct of any meeting of Participants.

- 12.8 Each Participant may cast one (1) vote per Participation. Blank votes will be deemed not to have been cast.
- 12.9 The Fund Manager or such other person designated by the chairman of the meeting shall record all votes taken during conference calls or at meetings of Participants and maintain a copy of consents obtained in writing, by facsimile, or by e-mail. Detailed voting records should promptly be made available by the Fund Manager to any Participant upon request.
- 12.10 The Fund Manager, or such other person designated by the chairman of the meeting will keep minutes of the meetings of Participants. The draft minutes will be distributed to all Participants within thirty (30) days after the date of the meeting and submitted for approval at the next meeting of Participants.
- 12.11 The Participants may also adopt resolutions outside a meeting, or in a meeting for which notice was given less than fourteen (14) calendar days prior to the meeting date, in which case resolutions shall be adopted in writing, provided that the proposed resolutions are submitted to all Participants and none of them objects to the proposed manner of adopting resolutions.

### **13 PARTICIPATIONS, REGISTER**

- 13.1 Participations are rights registered in the name of the Participants. Participation certificates shall not be issued.
- 13.2 The Fund shall have two (2) classes of Participations. Class A Participations and Class B Participations. All Classes provide exposure to the same Investment Objective and Investment Strategy. The sole difference between the different Classes is that Class A Participants will pay a lower Management Fee, due to the fact that the Delegate will waive its delegation fee that is payable out of the Management Fee for this Class. Only investors that are a client of the Delegate shall be issued Class A Participations against each such Participant's individual subscription. Other Participants subscribing will be issued Class B Participations, unless otherwise determined by the Fund Manager in its sole discretion. The holders of Class A Participations at any time wishing to increase their subscriptions, shall be issued Class A Participations.
- 13.3 The Fund Manager shall keep the Register, specifying the name and address of each Participant, the number of its Participations and the Class of each of its Participations and the relevant Subscription Date. The Fund Manager shall sign all entries to the Register.
- 13.4 The Fund Manager may rely on the accuracy of the information provided by each Participant for inclusion in the Register and treat such information as conclusive with respect to such Participant and its entitlement to its Participations. The Fund Manager shall not be bound:
- 13.4.1 by any change in such information which has not been notified to the Fund Manager in accordance with Article 13.4 hereof; or

- 13.4.2 to recognise any interest or claim of any person to a Participation other than those of the Participant duly registered in the Register as holder of these rights.
- 13.5 Each Participant shall notify the Fund Manager promptly by written notice of any change in the information included in the Register in relation to such Participant. The Fund Manager shall upon receipt of such notice cause the Register to be amended accordingly within ten (10) Business Days.
- 13.6 Upon written request to that effect by the Participant to the Fund Manager, the Register shall be available at the Fund Manager's office for the inspection of each Participant on Business Days, but only in so far as it concerns the Participant's own entry. Any costs related hereto shall be charged to the relevant Participant.
- 13.7 The Fund Manager may provide information included in the Register to tax, regulatory or other authorities if, in the Fund Manager's reasonable opinion, this is required, necessary, conducive to or in the interest of the Legal Owner, the Fund or any of the Participants, including but not limited for the application of tax treaties between the jurisdiction of source of any income or gain and the jurisdiction of residence of a Participant respectively the Netherlands. Each Participant shall at the written request of the Fund Manager provide the Fund Manager with such information and documentation as the Fund Manager may in all reasonableness require from the Participant in support of the Fund Manager's duty and right referred to in the preceding sentence.

## **14 SUBSCRIPTIONS**

- 14.1 The Fund Manager may at its sole discretion, but notwithstanding the further provisions of these Terms and Conditions, resolve to issue new Participations at the request of a new or existing Participant set forth in a Subscription Form or decide to temporarily discontinue or indefinitely stop the issuance of Participations.
- 14.2 The price of issuance of a Participation shall be equal to the Subscription Price. The Fund Manager shall determine the Total Subscription Amount due by the subscriber and the further conditions of the issuance.
- 14.3 In the Subscription Form as completed by a subscribing investor shall inter alia be set forth the Total Subscription Amount for which the subscriber requests issuance of Participations. The Fund Manager may at its sole discretion resolve to refuse or to only partly accept a subscription for Participations.
- 14.4 Applications for Participations should be made by submitting a duly signed and completed Subscription Form to the Administrator not later than 17:00 CET on the Business Day falling at least three (3) Business Days before the relevant Subscription Date as per which the applicant wishes to receive Participations. Subscription Forms not received in time will be held over until the following Subscription Date. Completed applications are irrevocable once received by the Administrator.

- 14.5 Participations shall be issued by the Legal Owner and acquired by the Participants on a Subscription Dates but the Participations subscribed for will not be issued if the Total Subscription Amount with respect to Participations subscribed for due by the subscriber has not been received by the Legal Owner.
- 14.6 If so requested by the subscriber on its Subscription Form, the Fund Manager may at its sole discretion agree that the Participations subscribed for by the subscriber and accepted by the Fund Manager will be paid-up in kind, as valued based on the valuation principles of the Fund. In that case, the subscription will not be accepted before the subscriber, Fund Manager and the Legal Owner have reached agreement on (i) the value, or the valuation method(s) to be used in the determination of the value, to be attributed to the in kind contribution, (ii) the timing and further details of the transfer to the Fund of the in kind contribution and the corresponding issuance of Participations to the subscriber, and (iii) any fees the Fund may charge to the subscriber as reimbursement of costs incurred by the Fund in connection with the in kind contribution.
- 14.7 Immediately upon the completion of the issuance of new Participations, the Fund Manager shall procure that the appropriate entries are made in the Register.

## **15 REDEMPTION OF PARTICIPATIONS**

- 15.1 The Fund is obliged to, subject to this Article 15 and the further provisions of these Terms and Conditions, redeem Participations at the request of a Participant set forth in a Redemption Notice. Any and all Participations that are redeemed shall not be held by the Legal Owner or the Fund Manager but shall be automatically cancelled.
- 15.2 The price of redemption of a Participation shall be equal to the Redemption Price. The Fund Manager shall determine the Total Redemption Amount.
- 15.3 In the Redemption Notice as completed by a Participant shall inter alia be set forth the Total Redemption Amount for which the Participant requests redemption of Participations or the number of the Participations to be redeemed.
- 15.4 Participations shall be redeemed by the Fund on Redemption Dates, provided the requirements of the Terms and Conditions have been met. Redemption of Participations as referred to in Article 16.1 may be effected at all times.
- 15.5 A signed Redemption Notice will need to be received by the Administrator no later than 17:00 CET on the Business Day falling at least three (3) Business Days before the relevant Redemption Date. Redemption notices not received in time will be held over until the following Redemption Date. Completed Redemption Notices are irrevocable once received by the Administrator.
- 15.6 The Total Redemption Amount will be paid to the redeeming Participant within five (5) Business Days after the applicable Redemption Date, provided that the Fund has received the redemption proceeds from the relevant Investee Fund, unless exceptional circumstances



occur, in which case the Total Redemption Amount will be paid at the earliest possible Business Day thereafter.

15.7 Requests for redemption may be refused in case anti-money laundering verification procedures so require.

15.8 The Legal Owner and the Fund Manager may suspend redemption of Participations if:

15.8.1 the determination of the Net Asset Value has been suspended in accordance with Article 20.3;

15.8.2 the transfer of funds realised from the sale of Fund Assets cannot, in the sole opinion of the Fund Manager, be effected at normal rates of exchange;

15.8.3 relevant exchanges are not open for business or the sale of Fund Assets is otherwise restricted or suspended;

15.8.4 a state of affairs exists which constitutes a state of emergency as a result of which the sale of Fund Assets would, in the sole opinion of the Fund Manager, not be practical or would negatively affect the rights of other Participants;

15.8.5 the Participant did not act in compliance with applicable legislation or these Terms and Conditions;

15.8.6 for whatever reason, the valuation of Fund Assets or Fund Obligations to be sold cannot be promptly or accurately ascertained; or

15.8.7 for whatever reason, the redemption of Investee Funds Interests is suspended at the level of the relevant Investee Fund, as applicable.

15.9 In order to protect the interests of non-redeeming Participants, in the event Redemption Notices are received for a particular Redemption Date from one or more Participants for an aggregate Redemption Price equal to 15% or more of the Net Asset Value of the Fund at such Redemption Date, the Legal Owner and the Fund Manager may limit redemption of the relevant Participations to redemption of Participations with an aggregate Redemption Price equal to 15% of the Net Asset Value of the Fund (a "gate") and suspend redemption of the remaining Participations subject to such Redemption Notices. Redemption of such remaining Participations may then be held over to be effected at the first following Redemption Date. The Fund Manager may in situations that the gate applies, in its sole discretion decide to limit redemptions of Participations to once in a calendar month. Such redemption and suspension shall be for each Participant from which a Redemption Notice had been received, pro rata the aggregate Redemption Price of each such Participant. If Redemption Notices are received for the following Redemption Date, from one or more Participants for an aggregate Redemption Price equal to 15% or more of the Net Asset Value of the Fund at such Redemption Date (including from redemptions so held over from a previous Redemption Date), the same procedure shall apply provided that redemptions so held over from a previous Redemption Date shall be effected with priority over redemptions of Participations from Redemption

Notices received subsequently. In the event redemption of any Participation is suspended for a period of longer than nine (9) months after the Redemption Date of the original Redemption Notice, the Fund Manager may, at its sole discretion, resolve to dissolve the Fund.

15.10 If the Fund Manager suspends the repurchase or redemption of the Participations, it shall inform the Participants and the AFM of such suspension without delay.

15.11 Immediately upon completion of the redemption of Participations, the Fund Manager shall procure that the necessary amendments are made to the Register.

15.12 The Legal Owner and the Fund Manager may delegate any or all part of their duties and responsibilities under this Article 15 to the Administrator. The Fund Manager will not delegate its portfolio management function and risk management function with respect to the Fund.

## **16 MANDATORY REDEMPTION OF PARTICIPATIONS**

16.1 The Fund Manager and the Legal Owner shall be entitled to redeem all (but not part of) the Participations of any Participant:

16.1.1 if the Participant is dissolved, becomes insolvent, is unable to pay its debts, institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy, any other relief under any bankruptcy, insolvency or similar law;

16.1.2 if in the Fund Manager's reasonable opinion the tax position of the Legal Owner, the Fund or any of the other Participants is or will become negatively affected due to the tax status or position or any change therein of the relevant Participant or any other circumstance concerning such Participant;

16.1.3 if, for whatever reason, the continuation of the relationship cannot reasonably be expected from the Fund Manager and/or Legal Owner; or

16.1.4 if the management board of an Investee Fund proceeds with compulsory redemption of the relevant Investee Funds Interests, as applicable.

16.2 Each Participant agrees that it shall immediately notify the Fund Manager if any status, position or change therein as referred to in Article 16.1.1 occurs in its respect or if it becomes aware of circumstances in all reasonableness qualifying as circumstances as referred to in Article 16.1.2 or Article 16.1.3 in its respect.

16.3 Upon redemption of Participations in accordance with the provisions of Article 16.1 the Participant will be entitled to receive a Total Redemption Amount determined by the Fund Manager on the basis of the most recent determined Net Asset Value.

16.4 Immediately upon completion of the redemption of Participations, the Fund Manager shall procure that the necessary amendments are made to the Register.

## **17 TRANSFER AND ENCUMBRANCE OF PARTICIPATIONS**

- 17.1 Except for Permitted Transfers, a Participant cannot sell, donate, exchange, assign, transfer, encumbrance any of such Participant's Participations. Any such Permitted Transfer requires the prior written approval of the Fund Manager.
- 17.2 Any transfer, assignment or encumbrance of Participations in violation of this Article 17 shall be null and void.

## **18 FEES AND EXPENSES**

- 18.1 The following fees, costs and expenses shall be borne by the Fund:
- 18.1.1 all transaction costs, i.e. all costs related to the sourcing, evaluating, making, holding or disposing of investments, including, but not limited to, brokerage fees, advisors' fees, (other) transaction costs and expenses, due diligence costs and taxes;
  - 18.1.2 all of the Fund's operational costs, including, but not limited to, all costs of legal, tax, administrative, legal ownership, depository, custody, accounting, (regulatory) reporting, regulatory fees, regulatory reporting fees and similar services and advices provided to the Fund, the costs of supervision of the Fund and all costs of communications with and meetings of the Participants;
  - 18.1.3 all taxes and governmental charges levied against the Fund or its income or assets, including but not limited to irrecoverable VAT payable by the Fund Manager in respect of services provided to it and falling within the scope of this Article 18.1;
  - 18.1.4 Organisational Expenses;
  - 18.1.5 the Management Fee; and
  - 18.1.6 all fees in connection with the compliance by the Fund and the Fund Manager in its capacity of the manager of the Fund with the AIFMD related legislation.
- 18.2 To the extent that the Fund Manager pays or otherwise bears any costs or expenses on behalf of the Fund that are pursuant to Article 18.1 to be borne by the Fund, the Fund shall reimburse the Fund Manager for the same.
- 18.3 Costs, fees and expenses that are not explicitly assumed by the Fund pursuant to Article 18.1 shall not be borne by the Fund. For the avoidance of doubt, the Fund shall not bear the cost of remunerating any employee of the Fund Manager or any of its Affiliates or any office rental, utilities or office equipment or other overhead or travel costs of any of their respective personnel, it being acknowledged that the Management Fee is intended to compensate the Fund Manager for such costs.
- 18.4 The Fund Manager is entitled to an annual Management Fee equal to 0.10% of the Net Asset Value (i.e. 10 basis points) of the Class A Participations and 1.10% of the Net Asset Value (i.e. 110 basis points) of the Class B Participations excluding (i.e. before deduction of) the Management Fee, as at the last calendar day of each month, payable monthly in arrears out of

the Fund Assets. Any changes to the Management Fee are subject to the prior approval of the Fund Manager and the Legal Owner.

## **19 VALUATION PRINCIPLES**

- 19.1 The Fund Manager has delegated the calculation of the Net Asset Value to the Administrator. The Net Asset Value shall be based on the value of the Fund Assets and Fund Obligations in accordance with Dutch GAAP and, where more specific, the following valuation methods:

- 19.1.1 investments in Investee Funds, other than securities, which are not dealt in or traded through a clearing firm or an exchange or through a financial institution, will be valued on the basis of the latest available valuation of Investee Funds Interests provided by the administrators of the relevant Investee Funds;
- 19.1.2 investments in Investee Funds, other than securities, which are not dealt in or traded through a clearing firm or an exchange or through a financial institution, will be valued on the basis of the latest available estimation of Investee Funds Interests provided by the administrators or investment manager of the relevant Investee Funds;
- 19.1.3 any security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon will be valued at its last traded price ("slotkoers") on the relevant Business Day. If no trades occurred on such day, it will be valued at the closing price of the previous Business Day. The value may be adjusted in such manner as the Administrator thinks fit, having regard to the size of the holding. Where prices for a particular security are available on more than one exchange or system, the price will be the last traded price or closing bid or offer price, as the case may be, on the exchange which constitutes the main market for such security or the one which the Administrator in its sole discretion determines to be providing the fairest criteria in ascribing a value to such security;
- 19.1.4 investments, other than securities which are dealt in or traded through a clearing firm or an exchange or through a financial institution, will be valued by reference to the most recent official settlement price quoted by that clearing house, exchange or financial institution. If there is no such price, then the average will be taken between the lowest offer price and the highest bid price at the close of business on any market on which such investments are or can be dealt in or traded, provided that where such investments are dealt in or traded on more than one market, the Administrator may determine at its discretion which market shall prevail;
- 19.1.5 any security which is neither listed nor quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its probable realisation value as determined by the Administrator in good faith. This determination will take into consideration: (a) the cost price of such security; (b) the price at which any recent transaction in the security may have been effected; (c) the size of the holding having regard to the total amount of such security in issue; and (d) such other factors as the Administrator in its sole discretion deems relevant in considering a positive or negative adjustment to the valuation;
- 19.1.6 all Fund Assets and Fund Obligations denominated in foreign currency shall be converted into EUR in accordance with the currency exchange rate prevailing at the close of business of the relevant Valuation Date.

19.2 The valuation shall be performed in accordance with article 19 of the AIFMD.

## 20 REPORTING

- 20.1 The financial year of the Fund shall begin on the first day of January and end on the thirty first day of December of the next calendar year. The first financial year of the Fund will begin on the Closing Date and will end on the thirty first day of December 2018.
- 20.2 On each Valuation Date the Fund Manager shall determine the Net Asset Value and the Net Asset Value per Participation. The Net Asset Value shall be expressed in EUR. The Net Asset Value and the Net Asset Value per Participation can be found on the website of the Fund Manager.
- 20.3 The Fund Manager may declare a suspension of the determination of the Net Asset Value and the Net Asset Value per Participation:
- 20.3.1 if one or more stock exchanges on which Fund Assets are listed (or on which securities which belong to the assets of a collective investment scheme in which the Fund is invested are listed directly or indirectly), are closed on other days than normal days of closure or if the transactions on these exchanges are suspended or subject to irregular restrictions;
  - 20.3.2 if the communication means or calculation facilities normally used to determine the Net Asset Value no longer function or if, for any other reason, the value of a Fund Asset or Fund Obligation, cannot be determined with the speed or accuracy desired by the Fund Manager;
  - 20.3.3 if there are factors relating to the political, economic, military or monetary situation that make it impossible for the Fund Manager to determine the Net Asset Value;
  - 20.3.4 if a resolution to liquidate the Fund is passed; or
  - 20.3.5 if the management board of an Investee Fund suspends the determination of the net asset value of the relevant Investee Funds Interests, as applicable.
- 20.4 In case of any errors in the calculation of the Net Asset Value, the Fund Manager will within three (3) Business Days prepare a report describing the errors that were made and the correction(s) which will need to be made to the Net Asset Value. If: (i) a correction is required of more than 0.5% of the Net Asset Value, and (ii) the Participants or the Fund (i.e. the then present Participants) incurred losses by a subscription or redemption against the erroneously calculated Net Asset Value, the Fund Manager will provide compensation (in cash or in Participations) for the relevant Participant and/or the Fund (i.e. the then present Participants) for the actual losses incurred, unless the error is not attributable to the Fund Manager or the Legal Owner, taking into account their liabilities as set out herein. For the avoidance of doubt, the Legal Owner shall have no role in determining the value of the Fund Assets.
- 20.5 Within six (6) months after the end of the each financial year of the Fund, the Fund Manager shall, in accordance with the applicable legal requirements, prepare and publish the Fund's annual accounts (consisting of at least a balance sheet, profit and loss account and

explanatory notes), annual report and other information for such financial year. The annual accounts shall be drawn up in accordance with the relevant provisions of Title 9 of Book 2 of the Dutch Civil Code.

- 20.6 The annual accounts will be adopted by the Fund Manager and the Legal Owner.
- 20.7 The Fund Manager will make available copies of the annual accounts and the annual report free of charge to each Participant, notwithstanding its compliance with other publication requirements under applicable laws.
- 20.8 The annual accounts shall be published on the Fund Manager's website.
- 20.9 The Fund Manager shall at the request of any Participant, and each Participant shall at the request of the Fund Manager, promptly furnish to the requesting party any information which is necessary in order to determine or discharge any obligation to withhold taxation or to file tax returns and reports for taxation or other statutory purposes provided that the Fund Manager or such Participant is able to obtain such information without unreasonable effort or expense.
- 20.10 The Fund Manager shall use its reasonable best efforts to ensure that no Participant will be subject to any tax filing obligations or income or similar tax payment obligations with respect to the income of the Fund in any jurisdiction (other than the jurisdiction in which such Participant is domiciled) solely as a result of the direct or indirect activities of the Fund. In addition, in making investment decisions, the Fund Manager shall consider the potential impact of withholding taxes on the Fund and its Participants on the returns from such investment.

## **21 DISTRIBUTIONS**

- 21.1 The Fund Manager may, at its sole discretion and at any time, decide to distribute any Net Proceeds to the Participants. All distributions to Participants will be made pro rata to the numbers of Participations held by each of them.
- 21.2 Distributions of Net Proceeds will be made in cash, in EUR. Frequent and regular distributions of Net Proceeds (including dividend distributions) by the Fund are not intended nor anticipated.
- 21.3 Any distribution to the Participants, including the amount, composition and manner of payment, shall be published on the Fund Manager's website.

## **22 AMENDMENT TO THE TERMS AND CONDITIONS**

- 22.1 These Terms and Conditions may be amended pursuant to a joint resolution of the Legal Owner and the Fund Manager.
- 22.2 A proposed amendment to the Terms and Conditions shall be published on the website of the Fund Manager. In addition, an explanation to the proposed amendments will be published on the website of the Fund Manager.

- 22.3 Notice of amendments made will also be made on the website of the Fund Manager. In addition, an explanation to the amendments will be published on the website of the Fund Manager.
- 22.4 An amendment of the Prospectus or the Terms and Conditions causing a reduction in Participants' rights or security, imposing costs on the Participants or causing a change to the Investment Strategy does not become effective in relation to the Participants until one (1) month following the date on which such notification has been published on the Fund Manager's website. Participants have the right to redeem their Participations within this period following the date on which such notification has been disclosed.
- 22.5 All parties to these Terms and Conditions shall be bound by any amendment to these Terms and Conditions effected in accordance with the provisions of this Article 22.

### **23 REGULATORY CHANGES**

- 23.1 The regulatory environment for investment funds continues to evolve. In the light hereof, during the existence of the Fund, additional and/or amended legislation and regulations affecting the Fund, the Fund Manager, the Legal Owner and the Administrator may come into force.
- 23.2 The Legal Owner and the Fund Manager may amend the Fund Documents if the Legal Owner and the Fund Manager reasonably determine that a regulatory change has a material adverse effect on the Fund and/or the Legal Owner and/or the Fund Manager, such that (i) the material adverse effect of the applicable change is removed or mitigated, and (ii) the Fund shall bear its reasonable allocable portion of the costs in relation to the implementation of and compliance with the change (it being understood such allocation is in principle determined on the basis of the number of funds managed by the Fund Manager that fall within the scope of such change).

### **24 DISSOLUTION AND LIQUIDATION**

- 24.1 The Fund shall be dissolved upon the happening of any of the following events:
- 24.1.1 the resignation of the Fund Manager, without a successor Fund Manager having been appointed in time in accordance with Article 8.3;
  - 24.1.2 the removal of the Fund Manager, without a successor Fund Manager having been appointed in time in accordance with Article 8.3; or
  - 24.1.3 notice served by the Fund Manager and the Legal Owner on the Participants following any change in the law as a result of which, in the reasonable opinion of the Fund Manager and the Legal Owner, the continuation of the Fund becomes unlawful.
- 24.2 Any dissolution of the Fund shall be effective on the date the event giving rise to the dissolution occurs, but the existence of the Fund shall not be terminated unless and until all its affairs have been liquidated as provided in the further provisions of this Article 24.



- 24.3 Upon dissolution of the Fund, no further business shall be conducted except for such action necessary for the liquidation of the affairs of the Fund in accordance with the applicable provisions of the law and these Terms and Conditions, including the sale or realisation otherwise of any remaining Fund Assets and payment of any remaining Fund Obligations and the distribution of any Fund Assets remaining after payment of the Fund Obligations to the Participants and the Fund Manager. During the liquidation period these Terms and Conditions shall, to the extent possible, remain in full force and effect.
- 24.4 The liquidation of the Fund shall be effected by the Fund Manager, provided, however, that if the Fund is dissolved for a reason set forth in Article 24.1.1, then the Participants shall by Ordinary Consent appoint another party as liquidator which shall have the rights and obligation of a Fund Manager under these Terms and Conditions be it for the sole purpose of and within the restrictions set by Article 24.3.
- 24.5 The balance left after the liquidation shall be paid in cash to the Participants in accordance with the provisions of Article 21. If any Fund Obligation is contingent or uncertain in amount, a reserve will be established in such amount as the Fund Manager deems reasonably necessary; upon the satisfaction or other discharge of such contingency, the amount of the reserve not required, if any, will be distributed in accordance with the provisions of Article 21.

## 25 INDEMNIFICATION

- 25.1 The Legal Owner, the Fund Manager, any of their respective (former) directors, employees and advisors (each of them in this Article referred to as an "**Indemnified Person**"), will be indemnified out of the Fund Assets against any and all liabilities, actions, proceedings, claims, costs, demands or expenses incurred or threatened by any of them arising out of or in connection with the capacity or former capacity of such Indemnified Person in the exercise of powers, provision of services or performance or omission of any activities on behalf of or in respect of the Fund within the framework of these Terms and Conditions, provided however that no Indemnified Person shall be so indemnified with respect to any matter resulting from its attributable breach (*toerekenbare tekortkoming in de nakoming*).
- 25.2 If an Indemnified Person becomes involved in any capacity in any action, proceeding or investigation in connection with any matter arising out of or in connection with the services provided by the Indemnified Person to the Fund, the Indemnified Person shall be reimbursed out of Fund Assets for its reasonable legal and other expenses (including the cost of investigation and preparation) as such legal and other expenses are incurred; provided that the Indemnified Person shall provide the Fund Manager with a written undertaking to promptly repay to the Fund the amount of such reimbursed expenses paid if there was no entitlement to indemnification pursuant to Article 25.1.
- 25.3 The rights of the Indemnified Persons to be indemnified in accordance with this Article shall survive the termination of the Fund.

## 26 MISCELLANEOUS

- 26.1 The Fund Manager shall and shall cause the Fund to comply and to continue to comply, and shall request the Participants to comply and continue to comply, with all applicable regulations (including any applicable anti-terrorism and money laundering regulations). The Fund Manager will promptly inform the Participants of any non-compliance that comes to its attention which could have an impact on the Participants.
- 26.2 If any Article or provision of these Terms and Conditions shall be held to be invalid or unlawful in any jurisdiction such Article or provision shall only be ineffective to the extent of such invalidity or unenforceability. The remainder of these Terms and Conditions shall not be affected thereby and shall remain in full force and effect and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.
- 26.3 No failure to exercise and no delay in exercising on the part of any of the Participants any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided in these Terms and Conditions are cumulative and not exclusive of any rights or remedies otherwise provided by law.
- 26.4 These Terms and Conditions and the Subscription Form constitute the entire agreement between the Fund Manager, the Legal Owner and each of the Participants, separately, and replaces, supersedes and invalidates all previous agreements (whether written or orally), documentations and correspondences with respect to the subject matter of these Terms and Conditions and the Subscription Form. There are no representations, agreements, arrangements or understandings between the parties relating only to the subject matter to these Terms and Conditions and the Subscription Form which are not full expressed in these documents.

## **27 NOTICES**

- 27.1 All notices to Participants shall be sent in writing to the addresses of Participants stated in the Register.
- 27.2 All notices to the Legal Owner, the Fund Manager or the Administrator shall be made in the form of e-mail or by post and shall be addressed or directed as to the addresses set out below or such other address as may have been notified to the Participants in accordance with the provisions of Article 27.1:

To the Legal Owner:

**Stichting Juridisch Eigendom Global Allocation Fund**  
Woudenbergseweg 11  
3953 ME Maarsbergen  
The Netherlands

E-mail: [info@teslincs.nl](mailto:info@teslincs.nl)

To the Fund Manager:

**Privium Fund Management B.V.**

Gustav Mahlerplein 3, 26<sup>th</sup> floor, HFC Plaza

1082 MS Amsterdam

The Netherlands

E-mail: [info@priviumfund.com](mailto:info@priviumfund.com)

To the Administrator:

**APEX Fund Services (Netherlands) B.V.**

Van Heuven Goedhartlaan 935 A

1181 LD Amstelveen

The Netherlands

Tel: +31 (0)20 2254 592

E-mail: [ssg@apexfs.com](mailto:ssg@apexfs.com)

## **28 APPLICABLE LAW AND COMPETENT COURT**

28.1 These Terms and Conditions shall be governed by the laws of the Netherlands.

28.2 These Terms and Conditions shall remain in full force and effect until amended in accordance with Article 22 hereof.

28.3 The competent courts of Amsterdam and its appellate courts shall have exclusive jurisdiction to decide on a dispute between the parties arising from these Terms and Conditions.

**SCHEDULE 2**  
**SUBSCRIPTION FORM**

**Subscription Instructions**

Please complete, date and execute the attached Subscription Form and deliver it, by fax and express mail, to:

**APEX Fund Services (Netherlands) B.V.**

Van Heuven Goedhartlaan 935 A  
1181 LD Amstelveen  
The Netherlands

Tel: +31 (0)20 2254 592

E-mail: [ssg@apexfs.com](mailto:ssg@apexfs.com)

For subscriptions please wire transfer funds in EUR in an amount equal to the Total Subscription Amount to the below bank account of the Legal Owner. The funds should be wired from a bank account held by the prospective Participant.

The Total Subscription Amount will always be denominated in EUR, but may be paid up in USD. Subscriptions paid in EUR will be accepted against the USD/EUR exchange rate at the close of business of the Valuation Date immediately preceding the applicable Subscription Date.

**Payment details for EUR payments**

BANK	:	ABN AMRO Bank
ACCOUNT NUMBER	:	83.71.04.920
ACCOUNT OF	:	Stichting Juridisch Eigendom Global Allocation Fund
IBAN	:	NL87 ABNA 0837 1049 20
BIC	:	ABNANL2A
REFERENCE (INVESTORS NAME)	:	_____

**Payment details for USD payments**

INTERMEDIARY BANK	:	Bank of America, New York
INTERMEDIARY BANK BIC	:	BOFAUS3N
CORRESPONDENT BANK	:	ABN AMRO Bank N.V.
CORRESPONDENT BANK BIC CODE	:	ABNANL2A
BENEFICIARY BANK	:	ABN AMRO Clearing Bank N.V.
BENEFICIARY BANK BIC CODE	:	ABNCNL2A
BENEFICIARY	:	Stichting Juridisch Eigendom Global Allocation Fund
BENEFICIARY IBAN	:	NL71 ABNC 0539619884

REFERENCE (INVESTORS NAME) : \_\_\_\_\_

To complete the Subscription Form, please insert the following information:

*In the Recitals:*

- (i) The name of the Participant, the address of the Participant and the place of establishment of the Participant (as relevant).

*In Numeral 2.2:*

- (i) The date, the Total Subscription Amount, and the Class of Participations for which the Participant wishes to subscribe.

*In Numeral 11.1:*

- (i) The name of the Participant.
- (ii) The Participant's address, email and facsimile number.

*In Numeral 11.3:*

- (i) The name, address and account number of the bank account to which redemptions and/or distributions should be sent or wired.

*In Numeral 13.2:*

- (i) The complete source of funds declaration.

**Note: Please sign the Subscription Form at the end.**

In addition to a properly executed Subscription Form, the following KYC documentation is required for the acceptance of initial subscriptions and transfers:

For Participants who are individuals:

- (i) A copy of the valid passport or drivers' license of the Participant.
- (ii) A copy of a bank statement or utility bill containing the address of the Participant not older than three (3) months.

For Participants who are entities:

- (i) Certificate of incorporation (or equivalent document to prove current existence) not older than three (3) years or a certificate of good standing.
- (ii) Memorandum & articles of association or articles of incorporation.
- (iii) Copy of the annual report or excerpt from commercial register or other document providing details (names and addresses) of directors.

The right is reserved to request any further information which is considered to be in any way necessary to the process of verification. Upon receipt of the Subscription Form and all referenced KYC information, the Fund Manager will accept the subscription and the Administrator will confirm the subscription. If a subscription is not accepted or if the offering is terminated, all funds deposited or wired and the Subscription Form and all other documents delivered to the Fund will be returned to the prospective Participant without interest or deduction.

**SUBSCRIPTION FORM** (the “**Subscription Form**”) for participations (the “**Participations**”) in Global Allocation Fund (the “**Fund**”) of

**NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**PLACE ESTABLISHMENT:** \_\_\_\_\_

(the “**Participant**”).

1. **DEFINITIONS AND SCOPE OF APPLICATION OF THE TERMS AND CONDITIONS**

**The Legal Owner:** Stichting Juridisch Eigendom Global Allocation Fund, a foundation (*stichting*) incorporated and organized under the laws of the Netherlands, having its official seat (*zetel*) in Maarsbergen and its registered office at Woudenbergesweg 13, 3953 ME Maarsbergen, the Netherlands, and registered with the Trade Register of the Netherlands under registration number 30176226.

**The Fund Manager:** Privium Fund Management B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, with registered address at Gustav Mahlerplein 3, 1082 MS Amsterdam, the Netherlands and registered with the Trade Register of the Netherlands under registration number 34268930.

The terms used in this Subscription Form (including the schedules thereto) have, unless provided otherwise, the same meaning as set out in the prospectus of the Fund dated \_\_\_\_\_ 20\_\_ (the “**Prospectus**”).

The Legal Owner pursuant to the terms and conditions of management and custody of the Fund attached as Schedule 1 to the Prospectus (the “**Terms and Conditions**”) holds the Fund Assets (as defined in the Terms and Conditions) for the purpose of management and custody on behalf of the participants of the Fund.

All relations between the Participant, the Fund Manager and the Legal Owner are governed by this Subscription Form, the Terms and Conditions and the Prospectus as referred to above.

2. **SUBSCRIPTION**

2.1 The Participant hereby agrees to participate in the Fund subject to the acceptance of this Subscription Form by the Fund Manager. The subscription for the respective Participations (including the number and Class of the Participations) will be confirmed in a letter by the Administrator to the Participant on behalf of the Fund Manager and the Legal Owner. The Participant acknowledges that the Fund Manager reserves the right to reject in its absolute discretion this and any other subscription for Participations in whole or in part. The Fund Manager will determine in its sole discretion which subscriptions shall be accepted.

2.2 The Participant hereby undertakes to pay the Total Subscription Amount of:

AMOUNT: \_\_\_\_\_

AMOUNT IN WORDS: \_\_\_\_\_ EUR, or

AMOUNT IN WORDS: \_\_\_\_\_ USD\*,

in consideration for Class [A / B] Participations and in accordance with the provisions of, the Terms and Conditions, the Prospectus and this Subscription Form, on (insert date) \_\_\_\_\_ to the bank account of the Legal Owner set out in the Subscription Instructions above.

\* Subscriptions paid in USD will be accepted against the USD/EUR exchange rate at the close of business of the Valuation Date immediately preceding the applicable Subscription Date.

2.3 The Total Subscription Amount shall be received by 17:00 hours CET on the Business Day falling at least three (3) Business Days before the relevant Subscription Date as per which the applicant wishes to receive Participations. The Fund Manager may decide, at its sole discretion, to accept an application for Participations in case of overdue payment, provided that the Total Subscription Amount has been received on the Business Day prior to the relevant Subscription Date.

### 3. ACCEPTANCE SUBSCRIPTION, ISSUE PARTICIPATIONS

3.1 The closing date is a date to be determined by the Fund Manager after the AFM has registered the Fund with the AFM register, and being the date on which the Fund Manager accepts the first subscriptions (the “Closing Date”).

#### 3.2(a) For subscriptions up to and including the Closing Date

Subject to the terms and conditions of this Subscription Form, in consideration for the Total Subscription Amount, the Participant will be issued a number of Participations equal to the Total Subscription Amount referred to under 2.2 above (minus the surcharge, if applicable) divided by EUR 100 (one hundred Euros).

#### 3.2(b) For subscriptions after the Closing Date

Subject to the terms and conditions of this Subscription Form, in consideration for the Total Subscription Amount, the Participant will be issued a number of Participations equal to the Total Subscription Amount referred to under 2.2 above (minus the surcharge, if applicable) divided by the Net Asset Value per Participation calculated as at the Valuation Date immediately preceding the Subscription Date.

3.3 The subscription date will be the first Business Day of each week, the last Business Day of each month or, such other day or days as the Fund Manager may from time to time determine at its sole discretion on which the subscription for one or more Participations by the Participant is effected (the “Subscription Date”). Upon acceptance of the subscription,



the Fund Manager shall enter the Participant's name, address and number of Participations in the Register in accordance with Article 13 of the Terms and Conditions. Such registration shall be conclusive evidence of the entitlement of the Participant.

#### 4. REPRESENTATIONS AND WARRANTIES OF PARTICIPANT

The Participant represents and warrants (*garandeert*) to the Legal Owner and the Fund Manager that:

- (i) the execution and performance of the Subscription Form do not contravene, or constitute a default under any provision of law applicable to the Participant;
- (ii) the Participant has the knowledge and expertise in business and financial matters to make it capable of assessing and evaluating the merits and risks associated with investing in the Fund;
- (iii) the Participant has independently assessed, evaluated and verified the merits and risks associated with investing in the Fund and the transactions contemplated thereunder;
- (iv) the Participant declares to have read and agree with the content of the Prospectus, the Terms and Conditions and the Redemption Notice. The Participant has had the opportunity to ask questions and receive answers concerning the Fund and the terms and conditions of this offering from authorised representatives of the Fund;
- (v) the Participant is willing to assume and will be able to bear the full financial and economic risk of its subscription, while maintaining adequate means of providing for its current needs and foreseeable contingencies, even in the event of a loss of its entire investment in the Fund;
- (vi) the Participant is acquiring the Participations in its own name and for its own account for investment purposes;
- (vii) neither the Legal Owner nor the Fund Manager, or any other person acting on behalf of the Legal Owner or the Fund Manager respectively, have provided any warranties or guarantees for the benefit of the Participant. Regarding its own financial position (including the tax consequences) the Participant did not rely on an advice of the Legal Owner or the Fund Manager, respectively or other individuals acting on behalf of the Legal Owner or the Fund Manager with respect to this investment;
- (viii) the person or persons signing on behalf of the Participant have full power and authority to do so. If applicable, all relevant internal procedures have been complied with and all necessary internal consents have been obtained;
- (ix) the signing and the performance of this Subscription Form fall within the object clause of the articles of association within the competence of the Participant and are in the interest of the Participant;

- (x) the Participant is authorized to sign this Subscription Form and to fulfill all obligations arising from this agreement. For this purpose the Participant does not have to register or otherwise perform acts with any public authority or independent supervisory authority, as all registrations or acts in respect of such public authority or independent supervisory authority (in so far as necessary) have taken place;
- (xi) the signing and the performance by the Participant of this Subscription Form does not conflict with and will not result in any claim for default (*ingebrekestelling*) against the Participant under (a) any provision of law applicable to the Participant; (b) any directive, rule or instruction of any public authority or independent supervisory authority which supervises the business of the Participant; (c) the articles of association or other organizational documents of or regarding the Participant; or (d) any agreement, judgment, judicial ruling or order, verdict, decree or other instrument binding on the Participant; and
- (xii) the Participant agrees that the above representations and warranties in this section will be true and correct both as of the execution date of the Subscription Form and the issue of the Participations.

#### 5. **REDEMPTION, WINDING UP AND BANKRUPTCY**

By signing the Subscription Form the Participant has not intended, for any purpose, to enter into a partnership (*maatschap* or *vennootschap onder firma*) or limited partnership (*commanditaire vennootschap*). If notwithstanding the explicit intentions of the parties involved, the existing legal relationship between them is qualified by any authorized judicial body as such a partnership, the Participant agrees, in so far as necessary, that (i) in case of a redemption of any or of all the Participations by the Participant in case of its liquidation, or in case of any other occurrence requiring under the rules of Dutch law such a partnership be dissolved, the other Participants have the right to continue and are deemed to continue the partnership; and (ii) the payment of the value attributable to the redeemed Participations on the basis of the Net Asset Value per Participation on the valuation date of the Participations redeemed is considered to be the full and final settlement of the share in the joint ownership, if and as far as present, of such a partnership.

#### 6. **INDEMNITY**

The Participant indemnifies the Legal Owner and the Fund Manager and persons connected to them, including the board of management, employees and advisers, without requesting or receiving any compensation therefore, against any claim, loss, damage, liability or costs, including the costs of legal advisers, to the extent that these are incurred by any of the Legal Owner and the Fund Manager and the persons mentioned above as a result of an incorrect representation of the facts by the Participant or by any act or omission of the Participant in breach of the Subscription Form.

#### 7. **RECOURSE**

In case the Participant does not fulfill its obligations under the Subscription Form the Legal Owner and the Fund Manager reserve all rights and legal remedies available to them under this Subscription Form under Dutch law and otherwise. If the Legal Owner or the Fund Manager does not exercise a right or a legal remedy available to it under the Subscription Form, this should not be interpreted as a waiver of the right to exercise such right or any other right or legal remedy in the future. The exercise of any right or legal remedy by the Legal Owner or the Fund Manager available to them under this Subscription Form does not prejudice the exercise by the Legal Owner or the Fund Manager of the other rights available to them under this Subscription Form under Dutch law or otherwise.

## 8. **VALIDITY OF WARRANTIES**

The statements, guarantees (*garanties*), acknowledgements and warranties made by the Participant remain in full force and effect after the Subscription Date. If there is any change in anything stated, guaranteed, warranted or acknowledged by a Participant at the time of participation in the Fund, it shall notify the Fund Manager and the Legal Owner thereof without delay.

## 9. **REDEMPTION**

The Participant can redeem by giving notice to the Administrator in the format set out in **Annex 1**.

## 10. **ONE AGREEMENT**

The Subscription Form fully describes the existing agreements between parties with respect to the present subject and replaces any preceding agreement with respect to this same subject.

## 11. **NOTICES, PARTICIPANT'S WIRE INFORMATION**

- 11.1 Any notices, consents, resignations, requests, demands, offers, reports and other communications under this Subscription Form required to be given hereunder shall be in writing and shall be addressed or directed as follows:

To the Administrator: **APEX Fund Services (Netherlands) B.V.**

Van Heuven Goedhartlaan 935 A  
1181 LD Amstelveen  
The Netherlands

Tel: +31 (0)20 2254 592

E-mail: [ssg@apexfs.com](mailto:ssg@apexfs.com)

To the Fund Manager:

**Privium Fund Management B.V.**

Gustav Mahlerplein 3, 26<sup>th</sup> floor, HFC Plaza  
1082 MS Amsterdam

The Netherlands

Tel: +31 (0) 20 462 6644

E-mail: [info@priviumfund.com](mailto:info@priviumfund.com)

To the Participant:

Name	:	_____
Address	:	_____ _____
E-mail	:	_____
Fax	:	_____

11.2 Any change to the above address, e-mail and/or facsimile number shall be notified to the relevant parties.

11.3 Redemptions and/or distributions of the Participant should be sent or wired to the following bank account:

BANK	:	
UNDER SWIFT CODE	:	
FAVOUR OF ACCOUNT #	:	
ACCOUNT OF	:	
UNDER SWIFT CODE	:	
IBAN	:	
FOR FURTHER CREDIT TO	:	
ACCOUNT NAME	:	
REFERENCE	:	Global Allocation Fund

**12. DIVISIBILITY**

Should any provision of the Subscription Form, or the application thereof with regard to any party or circumstance, be held void or entirely or partially unenforceable by any authorized judicial body, the Subscription Form shall in all other respects, handing the applicability of any other provision than the provision held void or entirely or partially unenforceable, be fully valid and enforceable.

**13. SOURCE OF FUNDS DECLARATION (not applicable for subscriptions by custody banks)**

13.1 The Participant understands that the below declaration is made for the protection of the Participant as well as for the protection of the Legal Owner and other management, administration and service providers of the Fund.

13.2 The Participant declares that the funds totaling EUR \_\_\_\_\_, which are used to purchase the Participations represent funds obtained by the Participant from the following source (such as: labour/salary, selling company, lottery, selling real estate, heritage etc):

\_\_\_\_\_  
\_\_\_\_\_

---

13.2 The Participant hereby gives its consent to the Legal Owner and other management, administration and service providers of the Fund to disclose this transaction to those institutions which are legally entitled to receive the information contained herein.

14. **THE U.S. FOREIGN ACCOUNT TAX COMPLIANCE ACT**

Under the U.S. Foreign Account Tax Compliance Act (“**FATCA**”), the United States will impose a withholding tax of 30 per cent on certain U.S. sourced gross amounts not effectively connected with a U.S. trade or business paid to certain “Foreign Financial Institutions”, including the Fund, unless some information reporting requirements are complied with.

The Fund will use reasonable efforts to satisfy any obligations imposed on it in order to avoid the imposition of this withholding tax (except with respect to the interest of “recalcitrant account holders” as described in §1.1471-5(g)(2) of the Foreign Account Tax Compliance Act). A fund’s ability to satisfy its obligations under an agreement with the U.S. Internal Revenue Service (“**IRS**”) will depend on each participant of such fund providing the fund with any information, including information concerning the direct or indirect owners of such participant, that the fund determines is necessary to satisfy such obligations. Any such information provided to a fund will be shared either with the local tax authority or the IRS, depending on the Model of the Intergovernmental Agreement. An investment fund that is classified as subject to FATCA requirements will be required to register with the IRS and obtain a Global Intermediary Identification Number (“**GIIN**”) and agree to have policies and procedures in place to identify certain direct and indirect U.S. account holders or equity holders. For these purposes the Fund would fall within the definition of a foreign financial institution (“**FFI**”) for the purpose of FATCA.

Each prospective Participant agrees by signing the Subscription Form to provide such information upon request from the Fund Manager or the Administrator. If a fund fails to satisfy such obligations or if a participant of a fund fails to provide the necessary information to such fund, as applicable, payments of U.S. source income and payments of proceeds will generally be subject to a 30 per cent withholding tax.

The Fund may exercise its right to completely redeem a participant that fails to provide the Fund or the Administrator with the requested information in order for the Fund to satisfy its FATCA obligations, and the Fund may take any other action deemed necessary in relation to a participant's shares or redemption proceeds to ensure that such withholding is eventually borne by the relevant participant whose failure to provide the necessary information gave rise to the withholding tax. Each prospective Participant in the Fund should consult their own tax advisor regarding the requirements under FATCA with respect to their own situation.

The Fund will endeavour to satisfy the requirements imposed on the Fund by FATCA to avoid the imposition of FATCA withholding tax. However, there can be no guarantee or assurance that the Fund will comply with all the requirements imposed by FATCA. In the event that the Fund is not able to comply with the requirements imposed by FATCA and the Fund does suffer US withholding tax on its investments as a result of non-compliance, the Net Asset Value may be affected and the Fund may suffer loss as a result.

#### *The Common Reporting Standard*

The Netherlands is one of multiple jurisdictions which have agreed to the automatic exchange of financial account information on the basis of the standard published by the Organisation for Economic Co-operation and Development (the "**Common Reporting Standard**" or the "**CRS**"). Financial institutions resident in jurisdictions which have agreed to the CRS, should report certain account holder information to their local tax authorities who will then exchange such information with countries where account holders are tax residents. It can provide timely information on non-compliance where tax has been evaded, particularly where tax administrations have had no previous indications of non-compliance.

For the purposes of efficiency, the CRS was deliberately built on the framework of FATCA and replicates many of its principles, although there is no withholding tax regime or requirement for reporting financial institutions to register with Foreign Tax Authorities (as defined below). Furthermore, certain CRS client classification, due-diligence and reporting requirements differ from or are more expansive to those deriving from FATCA. Further inter-governmental agreements will therefore be entered into with other third countries by the Dutch government from time to time to enable reporting to such third countries' tax authorities ("**Foreign Tax Authorities**") as provided in the CRS.

By investing or continuing to invest in the Fund, Participants shall be deemed to acknowledge that:

- a) the Fund is considered to (i) be a reporting financial institution under the CRS and the Fund (or its agent) will be required to disclose to the competent tax authority of the Netherlands certain confidential information in relation to the Participant, including but not limited to the Participant's name, address, tax identification number (if any), social security number (if any) and certain information relating to the Participant's investment;
- b) the competent tax authority of the Netherlands will be required to automatically exchange information as outlined above with the Foreign Tax Authorities;
- c) the Fund (or its agent) will be required to disclose to the Foreign Tax Authorities certain confidential information when registering with such authorities and if such authorities contact the Fund (or its agent directly) with further enquiries;
- d) the Fund may require the Participant to provide additional information and/or documentation which the Fund will be required to disclose to the competent tax authority of the Netherlands;

- e) in the event a Participant does not provide the requested information and/or documentation, whether or not that actually leads to breach of the applicable laws and regulations by the Fund, a risk for the Fund or the Fund's Participants being subject to withholding tax or penalties under the relevant legislative or inter-governmental regimes, the Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption or withdrawal of the Participant concerned;
- f) no Participant affected by any such action or remedy shall have any claim against the Fund (or its agent) for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Fund in order to comply with the CRS, any further inter-governmental agreements or any of the laws and regulations related to the CRS; and
- g) all information to be reported under CRS will be treated as confidential and such information shall not be disclosed to any persons other than the competent tax authority of the Netherlands and the Foreign Tax Authorities or as otherwise required by law.

Participants should ensure that their tax affairs are compliant with the laws and regulations applicable in their jurisdiction(s) of residence and/or citizenship (as applicable).

#### 15. **Processing of personal data pursuant to the General Data Protection Regulation**

The AIFM controls the processing of the personal data to be provided by the Subscriber in this Subscription Form. The processing of this personal data is necessary for (i) the performance of the AIFM's obligations under or pursuant to this Subscription Form and the Terms and Conditions, and (ii) compliance by the AIFM with applicable rules and regulations such as the rules on the prevention of money laundering and financing of terrorism (together the "**Purposes**"). The Subscriber's personal data collected shall not be used for other purposes. The provision of the personal data by the Subscriber is necessary for a subscription to the Fund. Failure to provide this personal data shall result in the AIFM not accepting the requested subscription.

Your personal data will be shared with the Administrator for the Purposes, and may be shared with other service providers of the AIFM within the scope of the Purposes only. The AIFM takes appropriate measures to ensure that the Subscriber's personal data will be properly handled in accordance with applicable rules and regulations. When required, your personal data may also be shared with competent authorities.

The personal data will be stored for such period of time as required to enable the AIFM to comply with applicable rules and regulations. The Subscriber has the right to request the AIFM to provide access to and rectification or erasure of personal data, or a restriction on the processing of the personal data.

At the AIFM, Mark Baak will function as Privacy Officer.

By entering into this Agreement, the Subscriber hereby explicitly confirms and grants its permission to the AIFM to control and process its personal data.

**16. CHOICE OF LAW, COMPETENT COURT**

This Subscription Form shall be governed by the laws of the Netherlands, and shall be interpreted accordingly.

The Participant hereby irrevocably agrees that any action or proceeding relating in any way to this Subscription Form may be brought to the competent courts of Amsterdam and its appellate courts and irrevocably submits to the non-exclusive jurisdiction of such courts.

The Participant confirms to apply for subscription to Global Allocation Fund and is acquainted with the Terms and Conditions and the Prospectus and agrees to be bound towards the Fund Manager and the Legal Owner under this Subscription Form and to the Terms and Conditions and the Prospectus.

\_\_\_\_\_

By :

Title:

Date:

\_\_\_\_\_

By :

Title:

Date:



**ANNEX 1 TO THE SUBSCRIPTION FORM  
NOTICE OF REDEMPTION**

**APEX Fund Services (Netherlands) B.V.**

Van Heuven Goedhartlaan 935 A  
1181 LD Amstelveen  
The Netherlands

Tel: +31 (0)20 2254 592

E-mail: [ssg@apexfs.com](mailto:ssg@apexfs.com)

Dear Sir, Madam,

The undersigned, \_\_\_\_\_ (name Participant) holds \_\_\_\_\_ (number) Participations in Global Allocation Fund.

We kindly request you, as per the next date available therefore under the Terms and Conditions of Management and Custody of Global Allocation Fund (the “**Terms and Conditions**”):

- (a) to redeem all Class [A/B] Participations held by the undersigned.\*
- (b) to redeem the following number of Class [A/B] Participations held by the undersigned: \_\_\_\_\_ (number).\*
- (c) to redeem for a sum of EUR \_\_\_\_\_ (amount).\*

The Legal Owner shall pay such amount or deliver assets with an equivalent value in accordance with the provisions of article 15 of the Terms and Conditions to the undersigned by transferring to bank account set forth in article 11 of the Subscription Form of the undersigned.

We understand that a completed original or fax of this Notice of Redemption has to be delivered to the care of the Administrator by 17:00 hours CET, no later than three (3) Business Days before the relevant Redemption Date on which the Participations are to be redeemed.

Yours faithfully,

**PARTICIPANT**

\_\_\_\_\_  
By :  
Title:  
Date:

\_\_\_\_\_  
By :  
Title:  
Date:

\* please strike through as applicable and complete information if applicable

### SCHEDULE 3 ANTI-MONEY LAUNDERING OBLIGATIONS OF THE FUND

Pursuant to the Dutch Act on the Prevention of Money Laundering and Terrorism Financing is concerned (*Wet ter voorkoming van witwassen en financieren van terrorisme*, the "**Wwft**"), a "client investigation" (*cliëntenonderzoek*) needs to be conducted by the Fund Manager with respect to each applicant Participant prior to their entering into the Fund.

In general terms, the purpose of the "regular" Wwft client investigation is to:

- (i) establish and lay down the purpose and the nature of the envisaged business relationship, which must be documented, and subsequently (to the extent possible) "monitor" the consistency of the information so laid down with the actual (increased) knowledge the Fund Manager has of the Participant. When doing so, the Fund Manager may take into account the actual profile type of the client;
- (ii) establish the identity of the applicant Participant and verify the identity so obtained on the basis of "reliable sources"; in addition, if the applicant investor is a trustee, establish the identity of the settlors of the trust; the documentation on the basis of which the identification and verification has occurred must be retained;
- (iii) (if applicable) establish and verify the identity of any ultimate beneficiary owner of the applicant Participant, being:
  - (a) natural person holding a 25% or more participating interest in the Participant or 25% or more of the voting rights in the Participant, or who is otherwise factually able to exercise a decisive influence in the Participant; or
  - (b) in the event that the Participant would consist of a trust or foundation, a person being, either directly or indirectly, the beneficiary of 25% or more of such trust or foundation's assets or having direct or indirect control over 25% or more of such assets;
- (iv) if the applicant Participant has an ultimate beneficiary owner as described under (iii), to establish and verify such ultimate beneficiary owner's identity.

In certain cases, a "simplified" client investigation suffices (e.g. for applicant that are listed companies, credit institution, financial service providers, collective investment schemes, investment firms, insurance undertakings based in the Netherlands, the European Union, Argentina, Australia, Brazil and several other countries). It is sufficient to establish and lay down the purpose and the nature of the envisaged business relationship and to retain a reliable document evidencing that the relevant applicant Participant falls under one of the categories for which a "simplified" client investigation applies.

In other cases (e.g. increased risk of money laundering or terrorism financing, applicant is a "Politically Exposed Person", client is a natural person that is not present for identification

purposes), an “extended” client investigation must be performed. In that case, extensive verification and monitoring requirements apply.