

# SAVIN MULTI-STRATEGY ARBITRAGE FUND N.V.

ISIN CODE CLASS A UNITS: NL00150004U5

ISIN CODE CLASS F UNITS: NL00150004V3

ISIN CODE CLASS I UNITS: NL00150004W1

PROSPECTUS

~~AUGUST~~JULY~~MARCH~~ 2021

## CONTENTS

| Clause  | Page            |
|---|-----------------|
| 1 EXECUTIVE SUMMARY .....   | 8               |
| 2 DEFINITIONS .....   | 11              |
| 3 THE INVESTMENT OPPORTUNITY .....  | 18              |
| 4 RISK FACTORS .....  | 22              |
| 5 LEGAL AND REGULATORY STRUCTURE OF THE FUND .....                            | <del>3029</del> |
| 6 FUND MANAGEMENT AND GOVERNANCE .....  | <del>3433</del> |
| 7 ADMISSION TO THE FUND AND SUBSCRIPTIONS .....                               | <del>4645</del> |
| 8 TRANSFER AND REDEMPTION OF UNITS .....                                      | <del>4948</del> |
| 9 COSTS AND EXPENSES.....   | <del>5251</del> |
| 10 VALUATION, REPORTING AND INFORMATION DISCLOSURE.....                       | <del>5655</del> |
| 11 DISTRIBUTIONS .....  | <del>6261</del> |
| 12 DUTCH TAXATION ASPECTS .....   | <del>6362</del> |
| 13 POLICY REGARDING VOTING RIGHTS AND VOTING CONDUCT INVESTEE COMPANIES ..... | <del>6564</del> |
| 14 SELLING RESTRICTIONS .....   | <del>6564</del> |
| 15 ASSURANCE REPORT.....  | <del>6665</del> |
| 16 DECLARATION OF THE FUND MANAGER.....                                       | <del>6867</del> |
| SCHEDULE 1: TERMS AND CONDITIONS OF ADMINISTRATION .....                      | <del>6968</del> |
| SCHEDULE 2: SUBSCRIPTION FORM.....  | <del>9190</del> |

## DIRECTORY SAVIN MULTI-STRATEGY ARBITRAGE FUND N.V.

|                |  |
|----------------|--|
| Office:        | <p>Gustav Mahlerplein 3, 26<sup>th</sup> floor, Financial Offices<br/>1082 MS Amsterdam<br/>The Netherlands</p> <p>Attn: Mark Baak<br/>Tel: +31 (0)20 4626644<br/>E-mail: <a href="mailto:info@priviumfund.com">info@priviumfund.com</a></p>   |
| Fund:          | <p><b>Savin Multi-Strategy Arbitrage Fund N.V.</b><br/>Gustav Mahlerplein 3, 26<sup>th</sup> floor, Financial Offices<br/>1082 MS Amsterdam<br/>The Netherlands<br/>Registered with the Dutch trade register under number: 81195834</p> <p>Attn: Mark Baak<br/>Tel: +31 (0)20 4626644<br/>E-mail: <a href="mailto:info@priviumfund.com">info@priviumfund.com</a></p> |
| Fund Manager:  | <p><b>Privium Fund Management B.V.</b><br/>Gustav Mahlerplein 3, 26<sup>th</sup> floor, Financial Offices<br/>1082 MS Amsterdam<br/>The Netherlands<br/>Registered with the Dutch trade register under number: 34268930</p> <p>Attn: Mark Baak<br/>Tel: +31 (0)20 4626644<br/>E-mail: <a href="mailto:info@priviumfund.com">info@priviumfund.com</a></p>             |
| STAK:          | <p><b>Stichting Administratiekantoor Savin Multi-Strategy Arbitrage Fund</b><br/>Gustav Mahlerplein 3, 26<sup>th</sup> floor, Financial Offices<br/>1082 MS Amsterdam<br/>The Netherlands<br/>Registered with the Dutch trade register under number: 80773788</p> <p>Tel: +31 (0)343 430303<br/>E-mail: <a href="mailto:info@teslincs.nl">info@teslincs.nl</a></p>   |
| Administrator: | <p><b>Circle Investment Support Services B.V.</b><br/>Smallepad 30 F<br/>3811 MG Amersfoort<br/>The Netherlands<br/>Registered with the Dutch trade register under number: 32081190</p>  |

|                               |  |
|-------------------------------|--|
|                               | <p>Tel: +31 33 467 3880<br/> E-mail: <a href="mailto:investors.nl@circlepartners.com">investors.nl@circlepartners.com</a></p>  |
| <p>Depository:</p>            | <p><b>Darwin Depository Services B.V.</b><br/> Barbara Strozziilaan 101<br/> 1083HN Amsterdam<br/> The Netherlands<br/> Registered with the Dutch trade register under number: 59855622<br/> Tel: +31 (0)20 2402576<br/> E-mail: <a href="mailto:info@darwindepositary.com">info@darwindepositary.com</a></p>                                  |
| <p>Prime Broker:</p>          | <p><b>ABN AMRO Clearing Bank N.V.</b><br/> Registered in the Dutch trade register under number 33170459<br/> Gustav Mahlerlaan 10<br/> 1082PP Amsterdam<br/> The Netherlands<br/> <br/> Registered with the Dutch trade register under number: 33170459<br/> <a href="http://www.abnamroclearing.com/">http://www.abnamroclearing.com/</a></p> |
| <p>Custodian:</p>             | <p><b>ABN AMRO Clearing Bank N.V.</b><br/> Registered in the Dutch trade register under number 33170459<br/> Gustav Mahlerlaan 10<br/> 1082PP Amsterdam<br/> The Netherlands<br/> <br/> Registered with the Dutch trade register under number: 33170459<br/> <a href="http://www.abnamroclearing.com/">http://www.abnamroclearing.com/</a></p> |
| <p>Independent Auditor:</p>   | <p><b>Ernst &amp; Young Accountants LLP</b><br/> Antonio Vivaldistraat 150<br/> 1083 HP Amsterdam<br/> The Netherlands</p>   |
| <p>Bank:</p>                  | <p><b>ABN AMRO Bank N.V.</b><br/> Gustav Mahlerlaan 10<br/> 1082 PP Amsterdam<br/> The Netherlands</p>   |
| <p>Legal and Tax Counsel:</p> | <p><b>Van Campen Liem</b><br/> J.J. Viottastraat 52<br/> 1071 JT Amsterdam<br/> 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 Unitholders 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 Units.

The contents of this Prospectus are not to be construed as an invitation to invest or as investment, legal or tax advice. The Units 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 Unitholders 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 Units 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 authorised 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 authorised 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 Units 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 Units 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 and the Fund Manager**

The Fund is an investment fund which employs an arbitrage-oriented approach to capital markets. In addition to financial instruments (as defined in article 1:1 of the FSA), the Fund may also hold cash and cash equivalents.

Privium Fund Management B.V. will act as the AIFM of the Fund. In managing the assets and liabilities of the Fund, the Fund Manager will act solely in the best interests of the Unitholders. The STAK will hold all issued and outstanding shares in the capital of the Fund. The Fund will be the owner of all fund assets and fund liabilities. The Fund will acquire and hold the assets and assume the obligations for the account and risk of the Unitholders. The Fund will act solely in the best interests of the Unitholders.

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

The Fund's objective is to achieve a multi-year average annual return of 8%, net of fees with low volatility and low correlation to equity markets. To achieve this, the strategy of the Fund is to employ complementary arbitrage strategies, striving for positive returns regardless of market conditions or general market direction.

Market neutrality is to be achieved through hedging of residual risk factor exposure to equities, interest rates, credit and commodities. Daily and ad hoc stress tests and other risk management processes are conducted to maintain our objective for consistent positive returns with low volatility and low correlation to equity markets.

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

#### **1.4.1 Legal Structure**

The Fund is a public limited liability company (*naamloze vennootschap*), which is a legal entity (*rechtspersoon*). The Fund has an open-ended structure. The relationship between the Fund, the STAK, the Fund Manager and the Unitholders is governed by the Terms and Conditions. By executing the Subscription Form, a Unitholder represents and warrants to have reviewed the Terms and Conditions and agrees to be bound thereby. A Unitholder is admitted to the Fund by the issuance of Units by the STAK to the Unitholder.

The Fund shall have three (3) classes of Units, to be issued by STAK. Class A Units will be the lead Class, Class F Units will be the founder's Class and Class I Units will be the institutional Class, which shall be issued based on the Total Subscription Price subscribed for by the Unitholder. All Classes provide



exposure to the same Investment Objective and Investment Strategy. The difference between the different Classes is that:

- The minimum Total Subscription Price is for Class A Units EUR ~~2~~150,000, for Class F units EUR 250,000 and for Class I Units EUR 5,000,000; and
- The Management Fee is for Class A Units 1.80% of Net Asset Value p.a. of the Class A Units, for Class F Units 2.00% of Net Asset Value p.a. of the Class F Units and for Class I Units 1.50% of Net Asset Value p.a. of the Class I Units;
- The Performance Fee is for Class A Units 20% of Net Capital Appreciation p.a., for Class F Units 20% of Net Capital Appreciation p.a. and for Class I Units 15% of Net Capital Appreciation p.a.;

Unitholders holding Class F Units will receive the Fee Sharing Discount. Class A is the regular class. Class F is set-up as a reward for the investors that are the first investor who are investing into the fund (for a minimum of Euro 250,000,-). Class I is set-up for larger investors, for which economies of scale are rewarded.

#### **1.4.2 Tax Aspects**

Pursuant to article 6a CITA, provided certain criteria are met, the Fund as an investment fund (*beleggingsinstelling*) as referred to in article 1:1 of the FSA may file an application, and will file such an application, with the Dutch tax authorities to obtain the status of an exempt investment institution (*vrijgestelde beleggingsinstelling*). If such application is approved, the relevant investment institution is eligible for exemption from corporate income tax as well as dividend tax.

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

#### 1.6 Distribution Policy

Any distribution of profits to Unitholders shall be published on the Fund Manager's website. It is neither intended nor expected that the Fund will make distributions of profits to Unitholders. Should distributions nevertheless be made, this will be in cash, in EUR.

#### 1.7 Minimum Investment, Subscriptions and Redemptions

The minimum subscription amount is at least EUR ~~2~~150,000 per Unitholder and differs per class of Units. See Section 7.1.3 of this Prospectus for further information on minimum and maximum subscriptions per Class. Until July 30, 2021 the minimum subscription amount was EUR 150,000 per Unitholder (Class A Units).

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 Unitholder cannot transfer its Units without the prior written approval of the Fund Manager, but will be able to redeem its Units 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 Circle Investment Support 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 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>“AIFM”</b>               | means alternative investment fund manager ( <i>beheerder van een beleggingsinstelling</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>“Anti-dilution levy”</b> | A mechanism to protect existing Unitholders in the Fund against erosion of the Fund's performance as a result of the entry and exit of part of the Unitholders in the Fund, as a result of which additional costs are incurred.   |
| <b>“Article 6 fund”</b>     | means funds as defined under Article 6(1) of Regulation (EU) 2019/2088  |

|                            |   |
|----------------------------|---|
| <b>“Article 8 fund”</b>    | means funds as defined under Article 8(1) of Regulation (EU) 2019/2088  |
| <b>“Article 9 fund”</b>    | means funds as defined under Article 9(1), (2) and (3) of Regulation (EU) 2019/2088   |
| <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 Units, being Class A or Class F or Class I.  |
| <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 AMRO Clearing Bank N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) organized and established under the laws of the Netherlands, with its registered address at Gustav Mahlerlaan 10, 1082 PP, Amsterdam and registered with the Dutch trade register under number: 33170459 .           |
| <b>“Custody Agreement”</b> | means the custody agreement that is entered into by the Fund Manager, on behalf of the Fund, the Depositary and the Custodian as set forth in Section 6.6 of this Prospectus.   |
| <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>“End Value”</b>            | means with respect to the final calendar month of the life of the Fund the Net Asset Value of a certain Class on the final calendar day of the life of the Fund, and with respect to any previous calendar month the Net Asset Value of a certain Class on the final calendar day of such month (in either case before giving effect to withdrawals or distributions). |
| <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>“Fee Sharing Discount”</b> | means fifteen percent (15%) of the aggregate Management Fee for all Classes.   |
| <b>“FSA”</b>                  | means the Dutch Financial Supervision Act ( <i>Wet op het financieel toezicht</i> ).   |
| <b>“Fund”</b>                 | means Savin Multi-Strategy Arbitrage Fund N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) organized and established under the laws of the Netherlands managed by the Fund Manager.   |
| <b>“Fund Assets”</b>          | means securities and all other assets, including cash, that are held by the Fund in accordance with the Fund Objective and Investment Restrictions for the account and risk of the Unitholders.  |
| <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 Fund assumes and/or incurs for the account and risk of the Unitholders.   |
| <b>“Investment Restrictions”</b>  | means the investment restrictions to be observed by the Fund Manager as set forth in Section 3.2 of this Prospectus.  |
| <b>“Investment Strategy”</b>      | means the investment strategy to be observed by the Fund Manager as set forth in Section 3.1 of this Prospectus.  |
| <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 9.2.3 of this Prospectus.  |
| <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 Capital Appreciation”</b> | means for each Class with respect to any calendar month, the positive difference, if any, between (i) the Start Value of the relevant Units of such Class of such month; and (ii) the End Value of the relevant Units of such Class of such month.                                  |
| <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 Unitholders together representing more than 50% of the issued and outstanding Units.   |
| <b>“Organisational Expenses”</b>  | means all costs incurred in connection with the formation of the Fund and the STAK as further set forth in Section 9 of this Prospectus.  |

|                                    |   |
|------------------------------------|---|
| <b>"Performance Fee"</b>           | means the performance fee due by the Fund to the Fund Manager as remuneration for its management of the Fund as set forth in Section 9.2.3 of this Prospectus.  |
| <b>"Prime Broker"</b>              | means AMRO Clearing Bank N.V., a public limited liability company ( <i>naamloze vennootschap</i> ) organized and established under the laws of the Netherlands, with its registered address at Gustav Mahlerlaan 10, 1082 PP, Amsterdam and registered with the Dutch trade register under number: 33170459 . |
| <b>"Prime Brokerage Agreement"</b> | means the prime brokerage agreement that is entered into by the Fund Manager, on behalf of the Fund, and the Prime Broker as set forth in Section 6.5 of this Prospectus.   |
| <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 any calendar month and/or, under certain circumstances 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 Units is made.  |
| <b>"Redemption Price"</b>          | means the Net Asset Value per Unit of a certain Class as at the Valuation Date immediately preceding the Redemption Date on which the relevant Unit is redeemed.  |
| <b>"Register"</b>                  | means the register in which in respect of each Unitholder are entered its name, address and other contact details, the bank or securities account details on which the Unitholder wishes to receive payments, its tax status and the number and Class of its Units.   |
| <b>"SASB"</b>                      | means the Sustainability Accounting Standards Board, an independent non-profit organization that sets standards to guide the disclosure of  |

financially material sustainability information by companies to their investors.

**“SFDR”**

means Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as amended from time to time.

**“Shares”**

means all issued and outstanding shares in the capital of the Fund, consisting of one (1) class A share, one (1) class B share and one (1) class C share.

**“Special Consent”**

means the written consent of Unitholders together representing more than 75% of the issued and outstanding Units.

**“STAK”**

Stichting Administratiekantoor Savin Multi-Strategy Arbitrage Fund, a foundation (*stichting*) organized and established under the laws of the Netherlands managed by the Fund Manager.

**“Start Value”**

means with respect to the first calendar month of the life of the Fund the Net Asset Value of a certain Class on the Closing Date, and with respect to any subsequent calendar month the Net Asset Value of a certain Class on the first calendar day of such a month (calculated in either case after taking into account payments on subscriptions for Units made as of such date).

**“Subscription Date”**

means the Closing Date and the first Business Day of any calendar month and/or such other day or days as the Fund Manager may from time to time determine at its sole discretion.

**“Subscription Form”**

means the subscription form, by means of which the Unitholders accept the Prospectus and the Terms and Conditions, a template of which is attached hereto as **Schedule 2**.

**“Subscription Price”**

means the Net Asset Value per Unit of a certain Class as at the Valuation Date immediately



|                                    |   |
|------------------------------------|---|
|                                    | preceding the Subscription Date on which the relevant Unit is issued.   |
| <b>“Terms and Conditions”</b>      | means the terms and conditions of administration ( <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 8.3.1 of this Prospectus, as applicable.  |
| <b>“Total Redemption Price”</b>    | means the Redemption Price multiplied by the relevant number of redeemed Units of the applicable Class.   |
| <b>“Total Subscription Price”</b>  | means the Subscription Price multiplied by the relevant number of issued Units of the applicable Class.   |
| <b>“Total Subscription Amount”</b> | means the Total Subscription Price increased by a surcharge described in Section 7.1.2 of this Prospectus, as applicable.   |
| <b>“Unit”</b>                      | means a unit representing the rights of a Unitholder to a certain percentage of the Net Asset Value within its Class; each Unit belonging to a specific Class represents an equal interest in the Net Asset Value of such Class |
| <b>“Unitholder”</b>                | means a natural or legal person, which participates in the Fund in accordance with the Subscription Form and the Terms and Conditions   |
| <b>“Valuation Date”</b>            | means the last Business Day of each calendar month and/or such other day or days as the Fund Manager may from time to time determine at its sole discretion.  |
| <b>“Wft”</b>                       | means <i>Wet op het Financieel Toezicht</i> , as amended from time to time.   |

### **3 THE INVESTMENT OPPORTUNITY**

#### **3.1 Fund investment objective, Fund investment strategies and techniques**

##### **3.1.1 Fund investment objective**

The Fund's objective is to achieve a multi-year average annual return of 8%, net of fees with low volatility and low correlation to equity markets. To achieve this, the strategy of the Fund is to employ complementary arbitrage strategies, striving for positive returns regardless of market conditions or general market direction.

Market neutrality is to be achieved through hedging of residual risk factor exposure to equities, interest rates, credit and commodities. Daily and ad hoc stress tests and other risk management processes are conducted to maintain our objective for consistent positive returns with low volatility and low correlation to equity markets.

##### **3.1.2 Fund investment strategies and techniques**

The Fund uses a number of arbitrage investment strategies, including "multi class" arbitrage, volatility arbitrage, and other kinds of arbitrage strategies and corporate event strategies described more fully below. In order to pursue these investment strategies, the Fund invests in a diversified portfolio of instruments, including equities, convertible securities, debt securities, warrants, options, swaps (including credit default swaps and credit default index swaps), futures contracts, forwards or other types of derivative instruments. Instruments can be traded through various exchanges Globally, including exchanges in Europe, the United States and Asia.

The Fund Manager tactically allocates the Fund's assets across arbitrage and alternative investment strategies with positive anticipated returns based on market conditions. The Fund Manager will employ hedging strategies with the intent of (i) reducing the risk associated with each of the arbitrage and corporate event strategies; (ii) keeping the overall volatility of the Fund's net asset value low; and (iii) maintaining a low correlation with the overall equity market. The Fund will also engage in short sales of securities. When the Fund sells a security short, it borrows the security from a third party and sells it at the then current market price. The Fund is then obligated to buy the security on a later date so that it can return the security to the lender. For arbitrage strategies, the Fund will generally buy securities and simultaneously sell securities short in amounts that are intended to result in an approximately neutral economic exposure to overall market movements. The Fund makes use of derivative instruments, which may be used for hedging purposes, as a substitute for investing in conventional securities and for investment purposes. The Fund will also use derivatives to increase its economic exposure, either long or short, to a particular security, currency or index.

Besides the arbitrage strategies the Fund runs a tail risk strategy to ensure capital preservation in unsettled markets. All strategies will be described briefly below. For the risks associated with these strategies, please refer to Section 4 below.

##### **Equity Arbitrage Strategies**

The Fund's equity arbitrage strategies are specialized strategies that seeks to profit from relative pricing discrepancies between different classes of stock or discrepancies in market valuation versus

actual stock ownership. The Fund's strategies are model based and use quantitative and fundamental analysis to detect profit opportunities. Generally a particular type of arbitrage opportunity is hypothesized, formalized into a set of trading rules and back tested. The Fund focusses on two types of equity arbitrage strategies:

**Multi Class Arbitrage:** Trading equities of companies with multiple share classes. Classes can differ on voting rights, dividend policy, liquidity, domiciling etc. The Fund measures typical correlations and establishes positions when current prices fall outside of a normal band.

**Holding Arbitrage:** Trading holding companies vs underlying investments. This strategy involves simultaneously buying and selling short stocks of a parent company and its investments, depending on short term discrepancies in market valuation versus actual ownership. Deep and continuous research based on historical and logical fundamentals are at the base of this strategy.

#### **Volatility Arbitrage**

Volatility Arbitrage is a trading strategy aiming to profit from the difference between the forecasted future price-volatility of an asset, like a stock, and the implied volatility of options based on that asset. Based on proprietary models the Fund identifies undervalued volatility opportunities.

#### **Event Driven Strategies**

When market opportunities arise, the Fund Manager may also employ other arbitrage and corporate event strategies. The opportunistic strategy seeks to profit by investing in securities of companies whose stock price trades significantly higher or lower from where the Fund believes they should trade, as the result of an ongoing or anticipated corporate catalyst. Corporate catalysts may include spin-offs, split-offs, asset sales, mergers and acquisitions, recapitalizations and other catalysts.

#### **Tail Risk Strategy**

The Fund's tail risk strategy will ensure capital preservation and will enable the Fund to profit from dislocated markets. Approximately 10 – 30 bps per month will be invested in tail risk strategies via a diverse set of derivatives.

### **3.2 Investment Restrictions**

The Fund Manager is required to invest the Fund Assets in accordance with the Fund's objective as set out in Section 3.1.1 above and in accordance with the Fund strategy as set out in Section 3.1.2 above.

#### **3.2.1 Portfolio restrictions**

A. The following investment restrictions apply:

1. The Fund will only invest in financial instruments (*financiële instrumenten*, as defined in the Wft);
2. The Fund will only invest in listed securities;
3. The Fund will not invest directly into commodities or real estate;
4. ~~no single investment of the Fund may exceed 10% of the total portfolio, whereby the total portfolio is defined as the combination of all absolute positions and cash. No single investment, including an individual leg of an arbitrage position, of the Fund may exceed 10% of~~

the total portfolio, whereby the total portfolio is defined as the notional value (including the notional value of derivatives) of all positions and cash.

4. \_\_\_\_\_

5. The Fund will not engage in high frequency investment strategies (including algorithmic trading) or any other investment strategies where investment decisions are being taken by computers or other automated systems.

5-6. The Fund may use leverage up to eight times its Net Asset Value, so the exposure (measured by the gross method) can be a maximum of nine times its Net Asset Value.

B. The following restrictions on leverage shall apply:

To achieve the Fund's objective, the Fund will use leverage in executing its arbitrage investment strategies, in such amounts and subject to such terms and conditions as explained in Section 3.2.1. Such leverage may take a variety of forms, including, but not limited to, margin borrowing from securities brokers and dealers, repurchase agreements, derivative instruments that are inherently leveraged, loans and other financing arrangements, as determined by the Fund Manager in its sole and absolute discretion. Leverage employed by the Fund may be secured by the Fund Assets. In the event of any change in the Fund's policy on leverage, this will be notified to Unitholders without undue delay. The total amount of leverage employed by the Fund (calculated in accordance with the gross methods) will be disclosed in each annual report provided to the Unitholders. For the risks associated with leverage, your attention is drawn to Section 4 below under the heading "Risk Factors".

### 3.2.2 Borrowing and lending

The Fund Assets may be pledged to a custodian, if appointed at any time, to borrow against the Fund Assets. In order to mitigate the risk of currency devaluations or fluctuations, the Fund Manager may hedge against a decline in the value of the Fund's non-EUR denominated Fund Assets. The Fund Manager is not allowed to lend any of the Fund Assets to a third party.

### 3.3 Sustainability

The Fund does not promote environmental and/or social characteristics, nor does it have sustainable investment as its objective. In the context of the Sustainable Finance Disclosure Regulation (SFDR), the Fund is therefore not classified as either an Article 8 or Article 9 fund but as Article 6 fund. However, in compliance with the SFDR, the Fund Manager does consider the effects of material sustainability risks on the value of the Fund's investments. Sustainability risks are categorized into Environmental, Social or Governance (ESG) issues and may pose a material risk to the value of an investment.

Some examples of environmental risks are:

- Increased taxation on environmentally damaging activities
- Damage to production facilities due to global warming induced flooding
- Fines for mishandling of hazardous waste

Some examples of social sustainability risks are:

- Negative publicity and loss of contracts after poor handling of digital client data or security.

- Closer scrutiny of labor rights in the supply chain
- Dishonest marketing practices or product safety

Some examples of governance risks are:

- Increasing scrutiny on livable wages and earnings dispersion within a company
- Ethics bribery and corruption
- Anti-competitive behaviour

#### Policy on the integration of sustainability risks into investment decisions

Considering the diverse nature of arbitrage strategies, it can be challenging to identify specific sustainability risks that a Fund may be exposed to, especially when the underlying position does not have a clearly identifiable exposure to sustainability risks. These types of Funds may have no directional exposure to an investment because of their hedging strategy, causing no exposure to any sustainability risk. Also, as the Fund generally takes positions over a short time frame it is not likely to be materially exposed to sustainability risks.

If an investment by the Fund 1) has a clearly identifiable sustainability risk, 2) carries long directional exposure AND 3) is intended to be held over a period of more than 90 days, the material sustainability risk of the investment will be investigated.

Not all sustainability risks may have a material negative effect on the value of an investment. Also, the relevancy of each sustainability risk may differ based on the economic sector the investment is active in. Therefore, the Fund applies the Materiality Map of the Sustainability Accounting Standards Board (SASB) to determine which sustainability risks are material to consider in the investment decision-making process.

SASB has identified more than 25 sustainability risks divided across the E, S, and G topics. Dependent on the economic sector the investment is active in, these risks are marked either 1) not material, 2) not likely material, 3) likely material. For a risk to be classified as likely material, SASB has found that for over 50% of the companies active in that sector, the risk has a significant impact on the financial position or operational activities.

In each investment decision the relevant material sustainability risks are investigated using the following focus points:

- Policy and practices: Investigating if relevant sustainability risks to the investment are well covered by policies informs if all risks are sufficiently in scope and in control. If so, then the value of the investment may be less sensitive to the relevant sustainability risk than its peers.
- Incidents: If the sector or the investment experienced significant incidents regarding the relevant sustainability risk recently, this may inform the understanding of both the frequency of it occurring, as well as the investments readiness and quality of response. Better preparedness and a strong response mean the value of the investment may be less sensitive to the relevant sustainability risk than its peers.

This analysis will provide a low, average or high estimated sensitivity of the value of the investment to material sustainability risks and informs the investment decision-making process. A high sensitivity does not automatically disqualify an investment from inclusion in the Fund, but this information will be included in the decision-making process.

Considering the broad scope of the Fund's investment policy, it is not possible to pre-define which sustainability risks will likely be material. Additionally, the estimated sensitivity of the Fund to specific sustainability risks will depend on the sector diversification. The broader the diversification across economic sectors, the lower the sensitivity. Also, the Fund may invest in assets that are not likely impacted negatively by material sustainability risks due to their nature or intended holding period.

#### **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. The value of the Fund's investments and the Units may fall as well as rise and returns on past investments are no guarantee as to the returns on future investments. Accordingly, Unitholders 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 Unitholders 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. Unitholders 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

##### *Arbitrage or Fundamental Risk*

Employing arbitrage and alternative strategies involves the risk that anticipated opportunities may not play out as planned, resulting in potentially reduced returns or losses to the Fund as it unwinds failed trades.

##### *Market Risk*

Market risk is the risk that securities prices will fluctuate over time. This fluctuation includes both increases and decreases in security prices. The fund is subject to market risk. The value of the Fund's investments, and the net asset value of the Fund, will fluctuate. There may be various reasons why markets fall, like recessions caused by a change in the economic business cycle or a pandemic.

##### *Leverage Risk*

The Fund may employ leverage in executing its arbitrage investment strategies, in such amounts and subject to such terms and conditions as the Fund Manager may determine in its sole and absolute discretion. The use of leverage increases both the possibility for gain and the risk of loss. Leverage employed by the Fund may be secured by the Fund Assets. Under certain circumstances, a lender may demand an increase in the collateral that secures such obligations, and if the Fund is unable to provide additional collateral, the lender could liquidate assets of the Fund to satisfy such obligations. Liquidation in that manner could have extremely adverse consequences. In addition, the amount of the Fund's borrowing and the interest rates on that borrowing, both of which will fluctuate, may have an effect on the Fund's profitability.

##### *Leverage Risk of Derivatives*

The Fund's use of swaps, futures contracts, options contracts and certain other derivative instruments may have the economic effect of financial leverage. Financial leverage magnifies exposure to the swings in prices of an asset underlying a derivative instrument and results in increased volatility, which means the Fund will have the potential for greater gains, as well as the potential for greater losses.

#### *Illiquidity Risk*

The Fund may experience difficulty in selling illiquid investments in a timely manner at the price that it believes the investments are worth. In addition, market conditions may cause the Fund to experience temporary mark-to-market losses, especially in less liquid positions, even in the absence of any selling of investments by the Fund.

#### *Hedging Transactions Risk*

The Fund employs various hedging techniques. The success of the Fund's hedging strategy will be subject to the Fund's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments in the portfolio being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Fund's hedging strategy will also be subject to the Fund Manager's ability to continually recalculate, readjust, and execute hedges in an efficient and timely manner. For a variety of reasons, the Fund may not seek to establish a perfect correlation between such hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss.

#### *Short Sale Risk*

The Fund will suffer a loss if it sells a security short and the value of the security rises rather than falls. It is possible that the Fund's long positions will decline in value at the same time that the value of its short positions increase, thereby increasing potential losses to the Fund. Short sales expose the Fund to the risk that it will be required to buy the security sold short (also known as "covering" the short position) at a time when the security has appreciated in value, thus resulting in a loss to the Fund. The Fund's investment performance may also suffer if it is required to close out a short position earlier than it had intended. In addition, the Fund may be subject to expenses related to short sales that are not typically associated with investing in securities directly, such as costs of borrowing. Short positions introduce more risk to the Fund than long positions (purchases) because the maximum sustainable loss on a security purchased (held long) is limited to the amount paid for the security plus the transaction costs, whereas there is no maximum attainable price of the shorted security. Therefore, in theory, securities sold short have unlimited risk.

#### *Derivative Risk*

In general, a derivative instrument typically involves leverage, i.e., it provides exposure to potential gain or loss from a change in the level of the market price of the underlying security or currency (or a basket or index) in a notional amount that exceeds the amount of cash or assets required to establish or maintain the derivative instrument. Adverse changes in the value or level of the underlying asset or index, which the Fund may not directly own, can result in a loss to the Fund substantially greater than the amount invested in the derivative itself. Derivative instruments come in many varieties and may include futures and forward contract, options (both written and purchased) and swap contracts.

#### *High Portfolio Turnover Risk*



The investment techniques and strategies utilized by the Fund, including investments made on a shorter-term basis or in derivative instruments or instruments with a maturity of one year or less at the time of acquisition, may result in frequent portfolio trading and high portfolio turnover. High portfolio turnover rates will cause the Fund to incur higher levels of brokerage fees and commissions, which may reduce performance.

#### *Small-Cap Securities Risk*

Investments in or exposure to the securities of companies with smaller market capitalizations involve higher risks in some respects than do investments in securities of larger companies. For example, prices of such securities are often more volatile than prices of large capitalization securities. In addition, due to thin trading in some such securities, an investment in these securities may be less liquid (i.e., harder to sell) than that of larger capitalization securities. Smaller capitalization companies also fail more often than larger companies and may have more limited management and financial resources than larger companies.

#### *Currency Risk*

The Net Asset Value of the Units 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.

#### *Interest Rate Risk*

Interest rate risk is the risk that prices of fixed income securities generally increase when interest rates decline and decrease when interest rates increase. The Fund may lose money if short-term or long-term interest rates rise sharply or otherwise change in a manner not anticipated by the Fund Manager.

#### *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.

#### *Limited Operating History*

The Fund is a recently established entity and there is limited operating history to evaluate the performance of the Fund.

#### *Political Risks*

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.

#### *Legislation Risk*

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 Unitholders are urged to seek fiscal advice before participating in the Fund.

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 Units.

#### *Model and Data Risk*

The Fund Manager relies heavily on quantitative models and information and data supplied or made available by third parties ("Models and Data"). Models and Data are used to construct sets of transactions and investments, to provide risk management insights, and to assist in hedging the Fund's investments. When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon expose the Fund to potential risks. Similarly, any hedging based on faulty Models and Data may prove to be unsuccessful. The Fund bears the risk that the quantitative models used by the Fund will not be successful in selecting investments or in determining the weighting of investment positions that will enable the Fund to achieve its investment objective. All models rely on correct data inputs. If incorrect data is entered into even a well-founded model, the resulting information will be incorrect. However, even if data is inputted correctly, "model prices" will often differ substantially from market prices, especially for instruments with complex characteristics, such as derivative instruments. The Fund is unlikely to be successful unless the assumptions underlying the models are realistic and either remain realistic and relevant in the future or are adjusted to account for changes in the overall market environment. If such assumptions are inaccurate or become inaccurate and are not promptly adjusted, it is likely that profitable trading signals will not be generated, and losses may result. The Fund Manager, in its sole discretion, will continue to test, evaluate and add new models, which may result in the modification of existing models from time to time. There can be no assurance that model modifications will enable the Fund to achieve its investment objective.

#### *Cyber security risk*

The Unitholders 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.

#### *Sustainability risk*

Sustainability risk in the context of the Fund is defined as the risk of a decrease in the value of an investment of the Fund due to an environmental, social or governance (ESG) related event. Such an event may have a direct negative impact on the financials of the investment or a longer-term impact on the operations or earnings capacity of the investment. The Fund has identified multiple sustainability risks which may impact the value of its investments to a varying degree.

### **4.3 Risks Relating to the Unitholder**

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

Units 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. Units are also subject to restrictions on their transferability under the Terms and Conditions. There is no public market for the Units 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 Units.

#### *Limited Rights of Unitholders*

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

#### *Indemnification*

Under the Terms and Conditions, the Fund Manager is entitled to be indemnified out of Fund assets against costs, losses and expenses which it may incur or become liable in connection with the execution of its duties. In addition, the Depositary, 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 Units may be redeemed at the request of a Unitholder 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 Unit as at the date of submitting the Redemption Notice. The Fund Manager may

further suspend the redemption of Units 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 Unitholders; (ii) the Unitholder 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 favourable 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 Unitholders. Significant redemptions may lead to significant losses to Unitholders, which remain invested in the Fund.

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

Due to the insolvency, negligence or fraudulent actions of the Fund Manager, its officers or employees or third parties used for the custody of assets of the Fund, the value of Units may decline.

#### **4.5 Risks Relating to the Prime Broker and Custodian**

Due to the insolvency, negligence or fraudulent actions of the Prime Broker and Custodian, its officers or employees, the value of Units 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 other Funds. There can be no assurance that such services do not conflict with the interests of the Fund. The Fund Manager intends to manage potential and actual conflicts of interest issues in good faith in compliance with the Fund's conflicts of interests policy in order to take any necessary decision or action to ensure that the Fund Manager acts in the best interests of the Fund.

##### *Diverse Unitholders*

Unitholders 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 Unitholder than for another Unitholder, especially with respect to Unitholder's individual tax situations. The Fund Manager will consider the investment, tax and other interests of the Fund and its Unitholders as a whole, not the investment, tax or other interests of any Unitholder 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 Unitholders 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 (*beleggingsinstelling*) as referred to in article 1:1 FSA and a public limited liability company (*naamloze vennootschap*) organised and established under the laws of the Netherlands.

Under the laws of the Netherlands, the Fund is a legal entity (*rechtspersoon*). The Fund is registered 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, Financial Offices, 1082 MS Amsterdam, the Netherlands.

The Fund will be managed by the Fund Manager. The Unitholders have no proprietary rights with respect to the assets of the Fund. The Fund will acquire and hold the assets indirectly for the account and benefit of the Unitholders. Such interest of the Unitholders is represented by the Units issued by the STAK and held by each of them.

The Fund Manager will be appointed as the sole board member of the Fund.

A party that is not affiliated with the Fund or the Fund Manager will be appointed as the sole board member of STAK in order to safeguard the interests of the Unitholders.

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

The Fund was established on 15 December 2020 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 23.1 of the Terms and Conditions.

#### 5.1.3 Classes of Units

The Fund Manager treats Unitholders in comparable circumstances equally and ensures that each Unitholder is treated fairly. The Fund shall have three (3) classes of Units, to be issued by STAK. Class A Units will be the lead Class, Class F Units will be the founder's Class and Class I Units will be the institutional Class, which shall be issued based on the Total Subscription Price subscribed for by the Unitholder. All Classes provide exposure to the same Investment Objective and Investment Strategy.

The only differences between the different Classes include the following items:

- The minimum Total Subscription Price is for Class A Units EUR ~~2~~150,000, for Class F units EUR 250,000 and for Class I Units EUR 5,000,000. Wealth managers, ~~family offices~~ or private banks may also be accepted for Class I Units with a lower minimum than EUR 5,000,000. In no case the amount can be lower than EUR 500,000. There is no minimum initial investment amount for each individual client of the particular wealth manager, ~~family office~~ or private bank. Here the investment decision to invest in the Fund is taken by or advised by the wealth manager, ~~f~~amily ~~office~~ or private bank. This is for the Class I Units only.

- The Management Fee is for Class A Units 1.80% of Net Asset Value p.a. of the Class A Units, for Class F Units 2.00% of Net Asset Value p.a. of the Class F Units and for Class I Units 1.50% of Net Asset Value p.a. of the Class I Units; and
- The Performance Fee is for Class A Units 20% of Net Capital Appreciation p.a., for Class F Units 20% of Net Capital Appreciation p.a. and for Class I Units 15% of Net Capital Appreciation p.a.;

Unitholders holding Class F Units will receive the Fee Sharing Discount.

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

Each Unit belonging to a specific Class, with respect to the other Units 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 Unitholders (pro rata to the numbers of Units held by them, against cancellation of these Units).

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

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

1. The Terms and Conditions. The Terms and Conditions represent the key organisational document of the Fund and amongst others set forth the agreement between the Fund and the Fund Manager concerning the management and custody on behalf of the Fund;
2. This Prospectus; and
3. 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).

A final judgment obtained in a court of any Member State of the European Union and which is enforceable in such Member State will be recognized and enforced by the courts of the Netherlands without re-trial or re-examination of the merits:

1. on the basis of and subject to the limitations imposed by the Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (as amended by the Council Regulation (EC) No 1215/2012 of 12 December 2012); and
2. subject to limitations imposed by Regulation (EC) No. 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European Enforcement Order for uncontested claims (as amended by commission regulation (EC) No 1869/2005 of November 2005 replacing the Annexes to Regulation (EC) No. 805/2004) and the rules and regulations promulgated pursuant thereto.

### **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 Fund, the STAK 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 Unitholders' rights or security, imposing costs on the Unitholders or causing a change to the Investment Strategy does not become effective in relation to the Unitholders until one (1) month following the date on which such notification has been published on the Fund Manager's website. Unitholders have the right to redeem their Units within this period following the date on which such notification has been disclosed.

## **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 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 Depositary and the Administrator may come into force.

The Fund Manager, the Fund and STAK acting jointly may amend the Fund Documents if they reasonably determine that a regulatory change has a material adverse effect on the Fund 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 AIFM

#### 6.1.1 Introduction and Key Duties

The Fund will be managed by Privium Fund Management B.V. as AIFM of the Fund. The Fund Manager is responsible for the entire management of the Fund in accordance with the provisions of the Fund Documents and applicable laws. 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 Depositary or other service providers.

Privium Fund Management B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands having its official seat (*zetel*) in Amsterdam, the Netherlands and its principal offices at Symphony Towers 26/F, Gustav Mahlerplein 3, 1082 MS Amsterdam, the Netherlands. The Fund Manager is registered in the Dutch trade register (*handelsregister*) under file number 34268930.

Cleardown B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), with its statutory seat in Aerdenhout, the Netherlands, and its registered address at Gustav Mahlerplein 3, 26<sup>th</sup> floor, 1082MS Amsterdam, the Netherlands and registered with the Dutch trade register under number: 34268846, holds all issued and outstanding shares in the capital of Privium Fund Management B.V. Mr. Clemens Hendrik Antonius Heijman holds all issued and outstanding shares in the capital of Cleardown B.V. and is thus the ultimate beneficial owner of Cleardown B.V.

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 statutory management board (*bestuur*) of the Fund Manager consists of Mr C.H.A. Heijman and Mr M. Baak who are the (daily) policy makers of the Fund Manager.

The Fund Manager conducts a prudent, controlled and sustainable remuneration policy which meets all requirements from the AIFMD and the ESMA guidelines on sound remuneration policies.

An extensive and up to date description of this remuneration policy, including (but not limited to) a description of the method of calculation of the remuneration and the distributions and the identity of the persons who are responsible for awarding the remuneration and the distributions are set out on the Fund Manager's website. At the request of a Unitholder the Manager will provide the remuneration policy to the Unitholder without any costs to the Unitholder. A summary of the remuneration policy of the Fund Manager may be found below.

Remuneration by the Fund Manager may consist of a fixed salary and/or a variable remuneration. The Fund Manager may require the variable remuneration to be returned in full or partially if: (i) the payment of the variable remuneration was made on the basis of incorrect information; (ii) the employee has committed fraud; (iii) in case of gross misconduct or negligence by the employee in the performance of his or her duties; (iv) if the employee has caused substantial losses to the Fund or the

Fund Manager; or (v) if the employee has not adhered to the investment risk policy of the Fund Manager for a substantial period of time.

#### **6.1.2 Delegation of Duties**

The Fund Manager will delegate certain financial, accounting, administrative and other services to the Administrator. No conflicts of interest is expected to arise from such delegation. The Fund Manager will not delegate its valuation function, portfolio management function or risk management function with respect to the Fund. As detailed below, the Fund Manager has engaged the Administrator to provide, subject to the overall direction of the Fund Manager, certain financial, accounting, administrative and other services to the Fund. As at the date hereof, the Fund Manager has not delegated any other functions to a service provider.

#### **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 Unitholders shall by Ordinary Consent appoint a substitute Fund Manager.

The Unitholders 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 Unitholders 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 Unitholders 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:

1. **FMO Privium Impact Fund**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, co-investing alongside the Dutch Development Bank (FMO);
2. **Windmill Trend Evolution Fund**, a fund for joint account (*fonds voor gemene rekening*) organised and established under the laws of the Netherlands, a fund of funds investing in investment funds mainly focussed on innovative systematic strategies that invest outside the mainstream markets;
3. **Principia Fund N.V.**, a company (*naamloze vennootschap*) organised and established under the laws of the Netherlands, predominantly investing in global equities;

4. **Privium Sustainable Impact Fund**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, a fund of funds investing in investment funds and companies mainly focused on sustainable alternatives;
5. **Still Equity Fund**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, predominantly investing in European equities with a value bias;
6. **Strategy One Fund**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, investing in a mixture of (hedge) funds, stocks, and bonds;
7. **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;
8. **Supermarkt Vastgoed Fonds FGR**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, investing in direct supermarket real estate; as capital for organic growth, acquisitions, recapitalizations or management buyouts;
9. **Dutch Mezzanine Fund II**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, investing in mezzanine debt opportunities such as capital for organic growth, acquisitions, recapitalizations or management buyouts;
10. **Dutch Mezzanine Fund III**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, investing in mezzanine debt opportunities such as capital for organic growth, acquisitions, recapitalizations or management buyouts;
11. **Global Allocation 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 (including hedge funds or other (alternative) collective investment vehicles worldwide), listed investee companies, stocks, bonds, futures, currency forward contracts and in commodity related instruments;
12. **Aescap Life Sciences 2-0**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, investing in publicly listed biotech / life sciences companies;
13. **Westermeerwind Aandelenfonds**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, investing in windparks;
14. **Westermeerwind Leningenfonds**, a fund for joint account (*fonds voor gemene rekening*) organized and established under the laws of the Netherlands, investing in windparks;
15. **Teggwings Fund I Coöperatief U.A.**, a cooperative with excluded liability (*coöperatie met uitgesloten aansprakelijkheid*), organized and established under the laws of the Netherlands, investing in venture capital investments;
16. **Digital Silk Road Industrial Investment Fund C.V.**, a limited partnership (*commanditaire vennootschap*) organized and established under the laws of the Netherlands, predominantly investing in listed equities;
17. **Privium Sustainable Impact Fund Luxembourg**, a SICAV Part II feeder fund, organized and established under the laws of Luxembourg, investing in the Privium Sustainable Impact Fund; and

~~18.~~ **Guardian Fund**, a fund for joint account (fonds voor gemene rekening) organized and established under the laws of the Netherlands, investing in equities globally.

~~18.~~

~~19.~~ **Knight Tech Fund**, a fund for joint account (fonds voor gemene rekening) organized and established under the laws of the Netherlands, investing in equities globally.

~~19.~~

Formatted: Font: Bold

Formatted: Justified, Indent: Left: 0 cm, Hanging: 1 cm

Formatted: Indent: Left: 1 cm, No bullets or numbering

#### 6.1.6. Risk Management Function Fund Manager

The risk management function at Fund Manager performs the following roles:

1. implement effective risk management policies and procedures in order to identify, measure, manage and monitor risks;
2. ensure that the risk profile of the Fund is consistent with the risk limits set;
3. monitor compliance with risk limits; and
4. provide regular updates to senior management concerning:
  - a. the consistency of stated profile versus risk limits; and
  - b. the adequacy and effectiveness of the risk management process; and the current level of risk of the Fund and any actual or foreseeable breaches of risk limits.

To identify the risk profile and main risks, and ensure the right measurement, management and monitoring of these risks, the Fund Manager has a rigid risk onboarding process. It further ensures that the investment process is properly documented and the product itself is properly reviewed.

Quantitative risk limits are, where possible, constructed for various risk categories: market risk, liquidity risk, credit risk, counterparty risk and operational risk.

The risk management function is fully independent from portfolio management. The risk manager of the Fund Manager has full authority to close positions or the authorization to instruct the closing of positions on his behalf in case of a risk breach.

To ensure that all risk management tasks are executed correctly and timely, the Fund Manager uses an automated system (CM) that registers all risk tasks, keeps a list of all pending risk tasks, and escalates risk tasks that have not been executed or report a violation of a risk rule. This system produces an audit log that can be verified by the Fund Manager's internal auditor, the external auditor, the management board, the regulator or other stakeholders. Not all risk variables have limits but to identify any new relevant risks, every variable that is reported in the CM system flows through a sanity check. The sanity check will raise an exception if the variable falls outside its "normal" boundaries. The Fund Manager's risk management department is notified of these exceptions and will make an assessment whether the situation is stable or whether further escalation is needed.

The positions of the Fund are administered and reconciled using Arbor Financial Services and risk reports such as Value at Risk and Stress Scenarios are run using Bloomberg.

The CM system is responsible for monitoring of the pre-defined risk limits. The limits can either be configured as notification limits, soft limits or hard limits. In case of a breach of any of the limits, the

escalation procedures are followed as described in the Fund's risk management procedures set out in the Privium handbook.

The Fund's reoccurring risk tasks are:

1. daily risk report by the management function, including value at risk;
2. monthly reporting by the portfolio management function;
3. quarterly operational risk management reporting; and
4. the running of monthly stress scenarios, whereby extra stress scenarios can be run on an ad hoc basis.

On a monthly basis the Fund Manager's risk committee meets to discuss the performances and risks of the Fund. Any breaches are discussed. On a yearly basis, a risk evaluation and product review is conducted.

#### Monitoring of sustainability risks in the Fund

On a monthly basis, the sustainability risk analysis for the investments of the Fund are reviewed and updated if and when applicable. Here, material changes to the individual sustainability risks of an investment are not expected to occur often. The most likely reason for this would be a significant change in the economic activity of the investment causing it to be moved to a different economic sector. A spin-out or acquisition of significant size relative to the market value of the investment could prompt this change. An update of the estimated sensitivity of the value of the investment to a sustainability risk might be triggered by a change in the policies and practices of the investment, or by a significant incident regarding the sustainability risk. The material sustainability risk exposures and the concentration of high sensitivity investments in the Fund are part of the risk management policy of the Fund Manager and are monitored on a monthly basis.

## 6.2 STAK

Stichting Administratiekantoor Savin Multi-Strategy Arbitrage Fund ("STAK") is a foundation (*stichting*) under the laws of the Netherlands and was established on 3 November 2020, and which has its offices at Gustav Mahlerplein 3, 26e verdieping, 1082MS Amsterdam, the Netherlands, and is registered with the Dutch trade register of the chamber of commerce of the Netherlands under number 80773788.

The objects of STAK are pursuant to article 3(1) of the articles of association of STAK:

"The foundation's objects are to acquire title to shares in consideration for which the foundation shall issue depositary receipts, to exercise the voting and other rights attaching to those shares, collect the dividends and other distributions paid on the shares and pass those onto the holders of depositary receipts, and to perform any such act as may be conducive to attaining these objects, with due observance of the applicable terms and conditions of administration."

CSC Governance B.V. forms the management board of STAK.

STAK is only liable towards the Fund and/or the Unitholders for damage suffered by them as a result of gross negligence (*grove schuld*) or wilful default (*opzet*) of STAK or its officers and employees in performing its or their duties and obligations.

## 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 Unitholders.

The Depositary:

1. is a legal person entrusted with the AIFMD depositary duties;
2. is separate from the Fund Manager; and
3. shall only act in the interest of the Unitholders.

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:

1. to monitor the cash flows of the Fund (ensuring in particular that all payments made by or on behalf of Unitholders upon the subscription for Units have been received and that all cash of the Fund has been booked in cash accounts opened in the name of the Fund on behalf of 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);
2. 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 Fund of all other assets);
3. to verify the compliance of the Fund Manager with the investment restrictions as set out in the Prospectus;
4. to ensure that transactions involving the Fund Assets, any consideration is remitted to the Fund within the usual time limits;
5. to verify that appropriate procedures are established and applied for the valuation of the Fund Assets; and
6. to perform various oversight duties with regard to the issue and redemption of Units, 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 a custodian, if appointed at any time. 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 a custodian. No conflict of interest is expected to arise from such delegation. The Depositary shall not be exclusively dedicated to the Fund, it may perform other duties for other funds or fund managers.

In acting as a depositary (*bewaarder*) of the Fund within the meaning of article 4:62m FSA, the Depositary shall act solely in the interests of the Unitholders. The Depositary will not be exclusively dedicated to the Fund and may perform any other activities for the Fund than those referred to above or depositary duties for 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 Unitholders for a loss suffered by them resulting from:

1. 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
2. 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 has, in accordance with the conditions of article 21(13) AIFMD, transferred the liability for loss of financial instruments to the Custodian. The transfer of liability is explicitly agreed with the Fund Manager, and there is a written agreement between the Depositary and the Custodian, in which the Custodian accepts liability for loss of financial instruments the custody of which has been delegated by the Depositary to such custodian in accordance with article 21(11) AIFMD.

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 Depositary Agreement, terminate the Depositary Agreement provided that it appoints a substituting depositary.



## 6.4 The Administrator

### 6.4.1 Introduction

The Fund Manager has engaged the Administrator 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, the Fund Manager 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:

1. the general administration of the Fund Assets and the Fund Obligations;
2. the calculation of the Net Asset Value and the Net Asset Value per Unit;
3. providing information to the Fund Manager enabling the Fund Manager to comply with financial and regulatory reporting obligations; and
4. 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 Prime Broker

AMRO Clearing Bank N.V. (the "**Prime Broker**") has been appointed by the Fund as prime broker to provide prime brokerage services, in respect of all investments, margin financing, clearing, stock lending and borrowing facilities. For these purposes, the Fund Manager, the Fund, the Depositary, and the Prime Broker have entered into a master clearing agreement and supporting documents (together the "**Prime Brokerage Agreement**").

The Prime Broker will not be liable for any loss to the Fund resulting from any act or omission in relation to the services provided except as a result of Prime Broker's gross negligence, wilful misconduct or fraud. The Prime Broker will not be liable for the solvency, acts or omissions of any sub-custodians. The Fund Manager and the Fund have agreed to indemnify the Prime Broker (including the directors, officers, employees, associates or agents of the Prime Broker) against any loss, claim, damage or expense incurred or suffered by it arising out of the Prime Brokerage Agreement.

The Prime Broker is a service provider to the Fund and is not responsible for the preparation of this document or the activities of the Fund Manager. The Prime Broker does not (i) participate in the

investment decisions of the Fund Manager and does not (ii) have any obligation to provide advice in relation to the management of the Fund's investments.

The Fund Manager reserves the right to change the customer arrangements described above by agreement with the Prime Broker and, in its discretion, to appoint additional or alternative prime broker(s).

## 6.6 Custodian

ABN AMRO Clearing Bank N.V. (the "Custodian" and in its capacity here as the Custodian which is separate from its capacity as Prime Broker) has been appointed by the Depositary as Custodian to provide custody services. For these purposes, the Depositary, the Fund, the Fund Manager and the Custodian have entered into a full services agreement and supporting documents (together the "Custody Agreement").

## 6.7 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 are under supervision of the AFM based on the Audit Profession Act (*Wet toezicht accountantsorganisaties*).

## 6.8 The Unitholders and Meetings of Unitholders

### 6.8.1 Introduction

(Prospective) Unitholders should realize that they are not permitted to engage in the investment operations of the Fund. Unitholders have certain information rights vis-à-vis the Fund Manager 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.

#### *Fair treatment of Unitholders*

All Unitholders shall be treated fairly by the Fund Manager. Such fair treatment of the Unitholders is ensured by the Fund Manager in the following ways:

1. All Unitholders shall be treated similarly in similar circumstances

The only differences between the different Classes are that:

- The minimum Total Subscription Price is for Class A Units EUR ~~2~~150,000, for Class F units EUR 250,000 and for Class I Units EUR 5,000,000. Wealth managers, ~~family offices~~ or private banks may also be accepted for Class I Units with a lower minimum than EUR 5,000,000. In no case the amount can be lower than EUR 500,000. There is no minimum initial investment amount for each individual client of the particular wealth manager, ~~family office~~ or private bank. Here the investment decision to invest in the Fund is taken by or advised by the wealth manager, ~~family office~~ or private bank. This is for the Class I Units only.
- The Management Fee is for Class A Units 1.80% of Net Asset Value p.a. of the Class A Units, for Class F Units 2.00% of Net Asset Value p.a. of the Class F Units and for Class I Units 1.50% of Net Asset Value p.a. of the Class I Units;

- The Performance Fee is for Class A Units 20% of Net Capital Appreciation p.a., for Class F Units 20% of Net Capital Appreciation p.a. and for Class I Units 15% of Net Capital Appreciation p.a.; and
- Unitholders holding Class F Units will receive the Fee Sharing Discount.

Class A is the regular class. Class F is set-up as a reward for the investors that are the first investors who are investing into the fund (for a minimum of Euro 250,000,-). Class I is set-up for larger investors, for which economies of scale are rewarded.

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

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

## 2. Right to redeem

On any Redemption Date, provided the requirements of the Terms and Conditions have been met and redemption of Units is not suspended in accordance with Section 8.3.3, the Fund Manager will redeem Units at the request of a Unitholder 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 Units as requested by its Unitholders for at least 10% of the assets managed.

## 3. No reduction of Unitholders' rights or security without right to redeem

Pursuant to Article 21.4 of the Terms and Conditions an amendment of the Prospectus or the Terms and Conditions causing a reduction in Unitholders' rights or security, imposing costs on the Unitholders or causing a change to the Investment Strategy does not become effective in relation to the Unitholders until one (1) month following the date on which such notification has been published on the Fund Manager's website. Unitholders have the right to redeem their Units within this period following the date on which such notification has been disclosed.

## 4. Complaints Procedure

A Unitholder 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. A Complaint shall be handled carefully, verifiable and consistent.

### Rights of Unitholders regarding service providers

Unitholders have no direct contractual rights of action against any of the service providers listed above in Sections 6.2 through 6.5. In the event that the actions or omissions of any service provider were to result in an adverse impact on Unitholders, this may give rise to contractual rights for the Fund and/or the STAK.

The foregoing is without prejudice to other rights which investors may have under ordinary rules of law or pursuant to legislation. Unitholders have certain information rights under the AIFMD, which include the right to receive the initial and periodic information specified under Article 23 AIFMD, and annual reports as specified under Article 22 AIFMD.

### **6.8.2 Meetings of Unitholders**

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

The Fund Manager must call a meeting of Unitholders (i) as often as the Fund Manager deems necessary in the interest of the Unitholders, and (ii) in case one (1) or more Unitholders holding, in total, at least 25% of the outstanding Units 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 Unitholders 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 Unitholders will be published on the Fund Manager's website and sent to the (e-mail) addresses of the Unitholders at least fourteen (14) calendar days prior to the date of the meeting of Unitholders. 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 Unitholder has the right to attend the meeting and to speak at the meeting. A Unitholder 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.

### **6.8.3 Voting by Unitholders**

To each Unit 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 Units being exercised in favour of the proposal.

## **6.9 Conflicts of interest**

### **6.9.1 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.

The Fund will not:

1. enter into any transaction with the Fund Manager, any Unitholder or any of its or their Affiliates;
2. enter into any transaction at non-arm's length terms and conditions; or
3. 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 with related party funds.

### **6.9.2 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.

### **6.10 Complaints Procedure**

A Unitholder 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, resolve for the STAK to issue Units at the request of a new or existing Unitholder set forth in a Subscription Form. The Units shall be issued in Amsterdam, the Netherlands.

#### 7.1.2 Subscription Price and Anti-dilution levy

The Subscription Price of a Unit is equal to the Net Asset Value per Unit 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 Units. The minimum Total Subscription Price is EUR ~~2~~150,000 per Unitholder. The Total Subscription Price will be increased by the Fund Manager with a surcharge, with a maximum of 0.05% of the Total Subscription Price in normal market circumstances, in order to meet any costs and expenses of the Fund incurred for the acquisition of Fund Assets in order to issue the Units. The surcharge is for the benefit of the Fund. The surcharge may be substantially higher than 0.05% during times of severe market stress. The Fund Manager shall determine the Total Subscription Amount.

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

#### 7.1.3 Procedure

Applications for Units of the following Classes can be made:

- Class A Units: for Unitholders investing with a minimum of EUR ~~2~~150,000.
- Class F Units: for Unitholders investing with a minimum of EUR 250,000 with a maximum Total Subscription Price of EUR 20,000,000 for all Class F Units. ~~The Class F Unit Class F is closed for new investments. Class F Units were available for investment by Unitholders until 1 August 2021;~~ and
- Class I Units: for Unitholders investing with a minimum of EUR 5,000,000. Wealth managers, ~~family offices~~ or private banks may also be accepted for Class I Units with a lower minimum than EUR 5,000,000. In no case the amount can be lower than EUR 500,000. There is no minimum initial investment amount for each individual client of the particular wealth manager, ~~family office~~ or private bank. Here the investment decision to invest in the Fund is taken by or advised by the wealth manager, ~~family office~~ or private bank. This is for the Class I Units only.

The minimum investment amount for each Unit Class for additional subscriptions is € 10,000.

There is no minimum additional investment amount for additional investments by clients of wealth managers, ~~family offices~~ or private banks. This is for the Class I Units only.

Applications for Units must be made by submitting a duly signed and completed Subscription Form to the Administrator at least ~~thirteen (13)~~ **thirteen (13)** Business Days before the relevant Subscription Date as per which the applicant wishes to receive Units.

Payment of the Total Subscription Price must be received in EUR in the bank account of the Fund as specified in the Subscription Form at least ~~thirteen (13)~~ **thirteen (13)** Business Days before the relevant Subscription Date as per which the applicant wishes to receive Units (please refer to the Subscription Form for further payment details and instructions).

If either (i) the signed and completed Subscription Form, or (ii) the Total Subscription Price has not been received timely, no Units 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 Unit on that Subscription Date shall be the basis for the determination of the Subscription Price for any Units 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 Units in case of overdue payment, provided that the Total Subscription Price 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, to the same account from which such proceeds were originally debited.

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

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

### **7.2.1 Representations and Warranties**

The Subscription Form requires each applicant for Units to make certain representations and warranties to the Fund 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 and the Fund Manager 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 Units to evidence its identity to the Administrator (“KYC requirements”).

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 Units 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 Price 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 Price.



## **8 TRANSFER AND REDEMPTION OF UNITS**

### **8.1 Introduction**

Units 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 Units exists and no party has been instructed by the Fund or the Fund Manager to maintain a market for Units. A transfer of Units is not possible (other than as described in Section 8.2 of this Prospectus). Though the Fund is in principle obliged to redeem Units at the request of a Unitholder, the Fund will under certain circumstances not be able and/or not obliged to do so.

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

### **8.2 Transfer of Units**

A Unitholder cannot transfer its Units without the prior written approval of the Fund Manager.

### **8.3 Redemption of Units at the Request of a Unitholder**

On any Redemption Date, provided the requirements of the Terms and Conditions have been met and redemption of Units is not suspended in accordance with Section 8.3.3, the Fund Manager will redeem Units at the request of a Unitholder 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 Units as requested by its Unitholders for at least 10% of the assets managed.

#### **8.3.1 Redemption Price and Anti-dilution levy**

The Redemption Price of a Unit is equal to the Net Asset Value per Unit 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 Units. The Total Redemption Price will be decreased by the Fund Manager by a discount, with a maximum of 0.05% of the Total Redemption Price in normal market circumstances, in order to meet any costs and expenses of the Fund incurred for the disposal of Fund Assets in order to redeem the Units. The discount is for the benefit of the Fund. The discount may be substantially higher than 0.05% during times of severe market stress

#### **8.3.2 Procedure**

Applications for the redemption of Units should be submitted to the Administrator by means of a duly signed Redemption Notice specifying the details of the redemption at least ten (10) 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 Unit as at the Valuation Date immediately

preceding that next Redemption Date shall be the basis for the determination of the Redemption Price for any Units 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). This will only take place when remaining Unitholders are not disadvantaged in any way.

The Total Redemption Amount will normally be paid to the redeeming Unitholder within five (5) Business Days after the release of the Net Asset Value of the applicable Redemption Date.

In the case the Administrator has not received all the requested KYC documents, even though the redemption request will be processed, redemption proceeds will be held in the name of the redeeming Unitholder at the Fund's bank account without any interest accruing in favour of the Unitholder and the Unitholder will bear all associated risks until such time as the Administrator receives the outstanding KYC documents.

### **8.3.3 Suspension of Redemptions**

The Fund Manager may suspend the redemption of Units if:

1. the determination of the Net Asset Value has been suspended (see Section 10.2);
2. 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, negatively affect the rights of other Unitholders in a disproportional manner;
3. the Unitholder did not act in compliance with applicable legislation or these Terms and Conditions; or
4. the valuation of Fund Assets or Fund Obligations to be sold cannot be promptly or accurately ascertained due to force majeure (*overmacht*).

In the event Redemption Notices are received for a particular Redemption Date from one or more Unitholders for an aggregate Redemption Price equal to 20% or more of the Net Asset Value of the Fund at such Redemption Date, if necessary to protect the interests of the remaining Unitholders and safeguard that such interests are not harmed disproportionately, the STAK and the Fund Manager may limit redemption of the relevant Units to redemption of Units with an aggregate Redemption Price equal to 20% of the Net Asset Value of the Fund and suspend redemption of the remaining Units subject of such Redemption Notices. Redemption of such remaining Units may then be held over to be effectuated at the first following Redemption Date. Such redemption and suspension shall be for each Unitholder from which a Redemption Notice had been received, pro rata the aggregate Redemption Price of each such Unitholder. If Redemption Notices are received for the following Redemption Date, from one or more Unitholders for an aggregate Redemption Price equal to 20% 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 Units from Redemption Notices received subsequently. In the event redemption of any Unit 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.

#### **8.4 Mandatory Redemption of Units**

The STAK and the Fund Manager 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 Units be entitled to redeem all (but not part of) the Units of any Unitholder.

In the case the Administrator has not received all the requested KYC documents, even though the redemption request will be processed, redemption proceeds will be held in the name of the redeeming Unitholder at the Fund's bank account without any interest accruing in favour of the Unitholder and the Unitholder will bear all associated risks until such time as the Administrator receives the outstanding KYC documents.

## 9 COSTS AND EXPENSES

### 9.1 Introduction

In this Section 9 all costs and expenses related to the organization, 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.

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 Entry and Exit Fees

Other than the Anti-dilution levy, the Fund does not charge any costs or fees to the Unitholders upon a subscription for or redemption of Units. Such costs and/or fees may be charged by the service providers of the Unitholders themselves in connection with an envisaged investment in or divestment from the Fund (like fees and costs charged to a Unitholder by its advisors, banks or brokers).

### 9.3 Cost Categories

#### *Management Fee and Performance Fee*

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

- 1.80% of the Net Asset Value (i.e. 180 basis points) of the Class A Units;
- 2.00% of the Net Asset Value (i.e. 200 basis points) of the Class F Units; and
- 1.50% of the Net Asset Value (i.e. 150 basis points) of the Class I Units,

excluding (i.e. before deduction of) the Management Fee, as at the last Business Day of each calendar 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 and the Fund Manager. The Management Fee shall be calculated for each Class separately and applied against the Net Asset Value of the Units in the relevant Class.

The Fund Manager is entitled to an annual variable performance fee of (i) 20% of the Net Capital Appreciation during such year with respect to Class A Units; (ii) 20% of the Net Capital Appreciation during such year with respect to Class F Units; and (iii) 15% of the Net Capital Appreciation during such year with respect to Class I Units. The Performance Fee shall be subject to a High Watermark principle that Performance Fee is only payable to the extent that the End Value of the relevant year is higher than the End Value of any previous year during the life of the relevant Class, ensuring that the Fund Manager only receives Performance Fee in so far as any decrease of Net Asset Value during the life of the Fund has been recovered through a subsequent increase of Net Asset Value. Where the Closing Date or the dissolution date of the Fund occurs during a calendar month, the Performance Fee shall be pro rata for the relevant portion of the month that the Fund was managed. The performance fee is calculated and measured as at the last Business Day of each calendar month, and payable annually after the end of the financial year of the Fund or at redemption, as applicable. The Performance Fee

shall be calculated for each Class separately and applied against the Net Asset Value of the Units in the relevant Class. The performance fee in respect of the relevant outstanding Units shall be payable to the Fund Manager within one (1) month after the end of the relevant financial year.

#### *Transaction costs*

Transaction costs inter alia include all costs related to the sourcing, evaluating, making, holding or disposing of Fund Assets, including, but not limited to, custody and prime brokerage fees, advisors' fees, data costs, data warehousing, costs for data lines, due diligence costs, taxes and interest on investment-related borrowings and (other) transaction costs and expenses. 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.

The Fund will bear all relevant costs for Custody and Prime Brokerage services, transaction costs, data costs, data warehousing, costs for data lines. As well as transactions tax, stamp duty, broker commissions and all other costs related to the execution of transactions in financial instruments.

Neither the Fund nor the Fund Manager shall receive any return commissions from brokers or any other party to whom the Fund and/or the Fund Manager has paid a commission.

The remuneration for the Prime Broker and Custodian will depend on the frequency of trading.

#### *Management Board STAK*

CSC Governance B.V. has been appointed as Management Board of the STAK. The remuneration consists of an annual fixed fee of EUR 3,500 and a variable remuneration of 0.0125% of the Net Asset Value (i.e. 1.25 basis points). The total remuneration will be capped at EUR 6,500 per annum.

#### *Depositary*

The Fund will pay to the Depositary in remuneration of its service to the Fund, limited to AIFMD depositary duties, an annual fee equal to 0.014% of the Net Asset Value (i.e. 1.4 basis points), subject to a minimum of EUR 16,945 (excluding VAT). The annual remuneration is subject to an annual indexation based on the CPI, published by CBS.

#### *Administrator*

The Fund will pay the Administrator in remuneration for its services to the Fund, an annual fee equal to 0.08% of the Net Asset Value (i.e. 8 basis points) up to a Net Asset Value of EUR 50 million as of the last calendar day of each month, subject to an annual minimum fee of EUR 30,000 (excluding VAT). When the Net Asset Value of the Fund exceeds EUR 50 million the Fund will pay the Administrator as remuneration for its services to the Fund, an annual fee equal to 0.06% of the Net Asset Value (i.e. 6 basis points). When the Net Asset Value of the Fund exceeds EUR 100 million the Fund will pay the Administrator as remuneration for its services to the Fund, an annual fee equal to 0.04% of the Net

Asset Value (i.e. 4 basis points). Administration fees are exclusive of a fixed office surcharge of 7.5% per year.

For the preparation of the (semi) annual statements, the Administrator will charge an annual fixed fee of EUR 4,000.

For FATCA related services the Administrator will charge the Fund an annual fixed fee of EUR 2,500. For Annex IV reporting related services, the Administrator will charge the Fund an annual fixed fee of EUR 2,000 per report.

For the first year of operations, the Fund will pay the administrator for its services, a fixed all-in annual remuneration of EUR 12,000 per annum and 0.08% of the Net Asset Value (i.e. 8 basis points) if and to the extent that the Net Asset Value exceeds EUR 20 million. This all-in fee is only applicable for the first year of operations.

#### *Auditor*

The Fund will pay to Ernst & Young as remuneration for its services to the Fund, an estimated fee equal to EUR 16,900 (excluding VAT) for its first reporting period.

#### *Regulatory Costs*

The regulatory costs related to the supervision by the AFM and DNB are estimated at EUR 4,000 per annum.

#### *Establishment Costs*

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

Establishment costs (set-up costs) are estimated at EUR 180,000 (excluding VAT) as reimbursement for the costs charged to the Fund Manager in connection with the formation of the Fund, including set-up expenses charged by the Fund Manager, set-up expenses charged by the service providers, 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. Establishment costs are subject to a maximum of EUR 200,000. Any costs in excess of this maximum shall be borne by the Fund Manager.

#### *Other Operational Costs of the Fund*

Other operational costs that will be charged to the Fund inter alia include, but are not limited to, all costs of legal and tax advice, administrative and, accounting support and systems, risk management and trade compliance systems and the maintenance and enhancements of these systems, maintaining a bank account, reporting, advice provided to the Fund and the STAK and all costs of communications with and meetings of the Unitholders. The other operational costs are subject to a maximum of 0.25% of the Net Asset Value (i.e. twenty-five basis points) per annum.

### 9.3.1 Fee Sharing Discount

Unitholders holding Class F Units will receive the Fee Sharing Discount. Here, 15% of the total Management Fees received by the Fund (as calculated by the administrator) will be redistributed to the Unitholders holding Class F Units. If Class F Units will be redeemed, Class F will only receive the remaining pro rata part of the Fee Sharing Discount. Example: if 25% of the Class F Units has been redeemed, Class F will receive 75% of the Fee Sharing Discount. Unit Class F is closed for new investments. Class F Units were available for investments by Unitholders until before 1 August 2021.

### 9.3.2 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 and interest costs 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 during the first year of operations. This projection is based on a Net Asset Value of EUR 20 million for the Fund and based on a Net Asset value of EUR 50 million.

| Ongoing Charges Figure (projected), based on a Net Asset Value of EUR 20 million | Class A Units | Class F Units | Class I Units |
|--|---------------|---------------|---------------|
| € 20.000.000   |               |               |               |
| Management Fee   | 1,80%         | 2,00%         | 1,50%         |
| Administrator  | 0,06%         | 0,06%         | 0,06%         |
| Management Board STAK  | 0,04%         | 0,04%         | 0,04%         |
| Audit  | 0,10%         | 0,10%         | 0,10%         |
| Depositary   | 0,10%         | 0,10%         | 0,10%         |
| Prime Broker & Custodian   | p.m.          | p.m.          | p.m.          |
| Set-up costs   | 0,18%         | 0,18%         | 0,18%         |
| Regulatory Costs   | 0,02%         | 0,02%         | 0,02%         |
| Other operational expenses   | 0,25%         | 0,25%         | 0,25%         |
|  |               |               |               |
| Fee sharing discount   |               | 0,30%         |               |
|  |               |               |               |
| Total  | 2,55%         | 2,45%         | 2,25%         |

| Ongoing Charges Figure (projected),<br>based on a Net Asset Value of EUR 50<br>million | Class A<br>Units | Class F Units | Class I<br>Units |
|--|------------------|---------------|------------------|
| € 50.000.000   |                  |               |                  |
| Management Fee   | 1,80%            | 2,00%         | 1,50%            |
| Administrator  | 0,07%            | 0,07%         | 0,07%            |
| Management Board STAK  | 0,02%            | 0,02%         | 0,02%            |
| Audit  | 0,04%            | 0,04%         | 0,04%            |
| Depositary   | 0,04%            | 0,04%         | 0,04%            |
| Prime Broker & Custodian   | p.m.             | p.m.          | p.m.             |
| Set-up costs   | 0,07%            | 0,07%         | 0,07%            |
| Regulatory Costs   | 0,01%            | 0,01%         | 0,01%            |
| Other operational expenses   | 0,25%            | 0,25%         | 0,25%            |
|  |                  |               |                  |
| Fee sharing discount   |                  | 0,66%         |                  |
|  |                  |               |                  |
| <b>Total</b>   | <b>2,30%</b>     | <b>1,84%</b>  | <b>2,00%</b>     |

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;
- office rental, utilities or office equipment;
- other overhead or travel costs of any of their respective personnel;
- costs of IT systems like Bloomberg;

marketing cost or website maintenance; It being acknowledged that the Management Fee is intended to compensate the Fund Manager for such costs.

The Fund will bear any involved Value-Added Tax (VAT).

## 10 VALUATION, REPORTING AND INFORMATION DISCLOSURE

### 10.1 Valuation Principles

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 (fair value) 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 amongst them.

The Net Asset Value for a Unit in a Class shall be determined by dividing the Net Asset Value allocable to such Class by the number of Units in such Class as per the determination date.



## 10.2 Reporting to Unitholders

### 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. The first financial year of the Fund will begin on the Closing Date and will end on the thirty first day of December 2021.

### 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 last calendar day of each month determine the Net Asset Value and the Net Asset Value per Unit (per Class or otherwise). 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 Unit (per Class or otherwise) to the Administrator. In determining the Net Asset Value of the Fund and the Net Asset Value per Unit, 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 Unit (per Class or otherwise):

1. if one or more stock exchanges on which Fund Assets are listed, are closed on other days than normal days of closure or if the transactions on these exchanges are suspended or subject to irregular restrictions;
2. if the communication means or calculation facilities normally used to determine the Net Asset Value no longer function;
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; or
4. if a resolution to liquidate the Fund is passed.

When the Fund Manager is unable to determine the Net Asset Value and the Net Asset Value per Unit, the Unitholders 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 Unitholder incurred a loss by an allocation or redemption against the erroneously calculated Net Asset Value, the Fund will at the request of such Unitholder provide compensation (in cash or in Units) for the relevant Unitholder for the actual loss incurred. The compensation will be paid out of the Fund Assets.

In case such error in the calculation of the Net Asset Value, has been made due to a mistake of the Fund Manager or Administrator, the Fund Manager will compensate Unitholders who have redeemed and/or subscribed to the Fund for the actual losses incurred.

Within ten (10) Business Days following the calculation of the Net Asset Value a statement on the Net Asset Value of the Fund as per last Valuation Date shall be published on the Fund Manager's website.

The Fund Manager will also provide a monthly newsletter

### **10.2.3 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.

Within nine (9) weeks after the end of the first half of the financial year, the Fund Manager shall draw up a semi-annual report and financial statements concerning this period.

The annual accounts and the semi-annual report 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 Unitholders 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.

### **10.2.4 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 and the Depositary from the Trade Register of the Netherlands shall be provided by the Fund Manager upon request at cost price.

A copy of the monthly report published on the Fund Manager's website containing information on the total value of the Fund's investments, the amount of outstanding Units, Net Asset Value and composition of the investment portfolio, which has been signed by the Depositary, shall be provided by the Fund Manager upon request at cost price.

A Key Investor Information Document (*essentiële beleggersinformatie*) and a Key Information document (*essentiële informatiedocument*) with respect to the Fund shall be available on the Fund Manager's website. The sustainability risk integration disclosure of the Fund Manager and the principal adverse impacts disclosure of the Fund Manager are published on the Fund Manager's website.

## **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.

### **Liquidity risk policy**

In normal market circumstances, the Fund maintains a liquidity level that is such that the Fund has sufficient liquidity to meet redemption requests of Unitholders without redemptions having negative consequences for the Net Asset Value per Unit. To this end (see also Section 8.3) at least 10% of the Fund Assets are held in the form of liquid funds and liquid financial instruments at all times. The following are included in the calculation of liquidity:

1. Financial instruments that can be converted into cash in the short term without sustaining losses or incurring more than marginal costs;
2. Bank balances available for immediate withdrawal;
3. Debts payable on demand from governments and professional money market parties;
4. Availability under the credit line with the Prime Broker.

Where financial instruments are concerned, consideration is given to the time necessary for clearing, to the price or value at which these Fund Assets can be cleared and also to sensitivity to other market risks or factors. It is relevant to observe here that the majority of investments made by the Fund are liquid investments (investments that are saleable immediately, listed with a regulated stock exchange).

Under normal circumstances the Fund will be able to liquidate 85% of all Fund Assets within ten (10) Business Days without material negative effects on the Net Asset Value, 10% within thirty (30) Business Days and 5% within ninety (90) Business Days.

Unitholders are required to issue redemption or subscription requests at least ten (10) Business Days in advance.

#### **10.4 Periodic disclosures**

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

1. the percentage of the Fund Assets which are subject to special arrangements arising from their illiquid nature;
2. any new arrangements for managing the liquidity of the Fund;
3. the risk profile of the Fund and the risk management systems employed by the Fund Manager to manage those risks;
4. any changes to the maximum level of leverage which the Fund may employ as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement; and
5. the total amount of leverage employed by the Fund.

#### **10.5 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% 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 Unitholder of such fund providing the fund with any information, including information concerning the direct or indirect owners of such Unitholder, 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 Unitholder 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 Unitholder 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 Unitholder 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 Unitholder's shares or redemption proceeds to ensure that such withholding is eventually borne by the relevant Unitholder whose failure to provide the necessary information gave rise to the withholding tax. Each prospective Unitholder 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, Unitholders shall be deemed to acknowledge that:

1. 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 Unitholder, including but not limited to the Unitholder's name, address, tax identification number (if any), social security number (if any) and certain information relating to the Unitholder's investment;
2. the competent tax authority of the Netherlands will be required to automatically exchange information as outlined above with the Foreign Tax Authorities;
3. 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;
4. the Fund may require the Unitholder to provide additional information and/or documentation which the Fund will be required to disclose to the competent tax authority of the Netherlands;
5. in the event a Unitholder 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 Unitholders 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 Unitholder concerned;
6. no Unitholder affected by any such action or remedy shall have any claim against the Fund (or its agent, including the Administrator) 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
7. 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.

Unitholders 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 the primary Fund Objective of the Fund is to achieve capital growth, any Net Proceeds will be reinvested by the Fund and 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. The Fund Manager may especially distribute Net Proceeds to the Unitholders 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 Unitholders will be made pro rata to the number of Units held by each Unitholder.

Any distribution (including profit distributions) to the Unitholders, 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 provided that the Administrator has received all requested KYC documents.

## 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 Unitholder, and does not purport to deal with the tax consequences applicable to all categories of Unitholders. The tax and other matters described in this Prospectus do not constitute, and should not be considered as, legal or tax advice to prospective Unitholders. Unitholders should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of the Units.

### 12.2 Taxation of the Fund

Pursuant to article 6a CITA, provided certain criteria are met, the Fund as an investment fund (*beleggingsinstelling*) as referred to in article 1:1 of the FSA may file an application with the Dutch tax authorities to obtain the status of an exempt investment institution (*vrijgestelde beleggingsinstelling*). If such application is approved, the relevant investment institution is eligible for exemption from corporate income tax and dividend tax.

The status of exempt investment institution is granted by the Dutch tax inspector by means of an official decree (*beschikking*) issued upon request of the taxpayer. The relevant application must be submitted prior to the end of the first financial year, or, in the case of an existing taxable entity, prior to the beginning of the first financial year for which designation as an exempt investment institution is desired. On behalf of the Fund, such a request will be filed, meaning that if the request is approved, the Fund will enjoy the status of exempt investment institution effective as per the date of its establishment.

In order to obtain - and retain - the status of an exempt investment institution, the objective of the Fund, as well as its actual business operations, must entail (passive) investment in financial instruments as defined in article 1:1 FSA). Furthermore, the Fund must apply a policy of risk spreading, as well as a policy of repurchasing its own shares if directly or indirectly offered for sale by its Participants (i.e., be an open-ended fund). Please note that no requirements apply as regards the capacity of the Participants and with respect to the level of debt financing or annual distributions.

In case the Fund would no longer meet one or more of the aforementioned conditions, its status as an exempt investment institution would be lost with retroactive effect until the beginning of the relevant financial year. This implies that Dutch corporate income tax would be due on any results achieved in that financial year.

### 12.3 Withholding Taxes

Pursuant to article 1(2) DTA, in principle distributions by the Fund are subject to the levy of Dutch dividend withholding tax. The statutory withholding rate is 15%, which in particular circumstances may be reduced under the vigour of a bilateral tax treaty and/or the EU Parent-Subsidiary Directive.

However, in case the taxpayer has obtained the status of exempt investment institution on the basis of article 6a CITA, then pursuant to article 1(4) DTA there is no obligation to withhold dividend tax on its distributions either. This implies that once the Fund has obtained such status, both the realization and the distribution of profits should have no tax implications.

Being an exempt investment institution, the Fund may not be able to invoke bilateral tax treaties concluded by the Netherlands in order to benefit from exemption or reduction of any foreign taxes withheld on dividend or interest payments received by the Fund. Furthermore, the Fund cannot claim a credit or refund of any such foreign taxes from the Dutch Revenue, nor can it claim a credit or refund of any Dutch withholding tax on dividend income received.

#### **12.4 Taxation of the STAK**

Provided certain conditions are met, the STAK is disregarded for Dutch tax purposes, meaning that Unitholders are deemed to invest directly in the Fund. This particular form of tax transparency will be addressed in the application for status as an exempt investment institution (see section 12.2 above).



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

The Fund Manager, in its capacity of the fund manager of the Fund does not intend to attend the general meetings of shareholders/limited partners/members of the Investee Companies and any relevant sole class or category meetings and to exercise the voting rights attached to such Investee Companies Interests.

### 14 SELLING RESTRICTIONS

#### Switzerland- Additional information for Swiss investors

The following Unit Classes will be distributed in Switzerland:

- Class A Units: for Unitholders investing with a minimum of EUR ~~2~~150,000.
- Class F Units: for Unitholders investing with a minimum of EUR 250,000 with a maximum Total Subscription Price of EUR 20,000,000 for all Class F Units. Unit Class F is closed for new investments. Class F Units were available for investment by Unitholders until 1 August 2021.; and
- Class I Units: for Unitholders investing with a minimum of EUR 5,000,000.

The shares of the Fund shall be distributed in Switzerland exclusively to qualified investors as defined by Article 10 § 3 of the Collective Investment Scheme Act 2006, as amended, (CISA) and Article 6 of the Collective Investment Scheme Ordinance 2006, as amended, (CISO) (Qualified Investors). The Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority (FINMA).

The representative of the Fund in Switzerland is ACOLIN Fund Services AG, succursale Genève (the "Representative"). The offering documents, articles of association and audited financial statements can be obtained free of charge from the Representative. The place of performance for the shares of the Fund offered or distributed in or from Switzerland is the registered office of the Representative. The courts of the canton of Geneva shall have jurisdiction in relation to any disputes arising out of the duties of the Representative. Any dispute related to the distribution of shares of the Fund in and from Switzerland shall be subject to the jurisdiction of the registered office of the distributor.

The paying agent in Switzerland is Banque Heritage SA, 61 Route de Chêne, CH-1207 Geneva, Switzerland (the "Paying Agent"). Shares may be subscribed and/or redeemed with the Paying Agent. A handling commission will be charged by the Paying Agent. If a subscription or redemption is made through the Paying Agent, instructions and money must be received by the paying agent at least 24 hours before the appropriate dealing cut-off time.

The fees and expenses associated with the representation, paying agency and other distribution items may be charged to the Fund. As applicable, the actual amount of such fees and expenses will be disclosed in the audited financial statements.

The Fund Manager does not pay retrocessions for distribution. In respect of distribution in or from Switzerland, the Fund Manager does not grant rebates to investors.

## 15 ASSURANCE REPORT

### Assurance report pursuant to Section 115x, subsection 1, of the Dutch Decree on Conduct of Business Supervision of Financial Undertakings under the Financial Supervision Act

To: the fund manager of Savin Multi-Strategy Arbitrage Fund N.V.

#### *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 Savin Multi-Strategy Arbitrage Fund N.V., Amsterdam.

In our opinion the prospectus dated ~~August~~~~March~~ ~~...~~~~10~~, 2021 of Savin Multi-Strategy Arbitrage Fund N.V. 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 Savin Multi-Strategy Arbitrage Fund N.V. 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.

Prospectus Savin Multi-Strategy Arbitrage Fund N.V.

*Responsibilities of the manager for the prospectus*

The manager of the Savin Multi-Strategy Arbitrage Fund N.V. 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, ~~August~~<sup>March</sup> 10, 2021

Ernst & Young Accountants LLP

Signed by R.J. Bleijs

## **16 DECLARATION OF THE FUND MANAGER**

The Fund Manager declares that the Fund, the Fund Manager and the Depositary 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: TERMS AND CONDITIONS OF ADMINISTRATION**

**SAVIN MULTI-STRATEGY ARBITRAGE FUND N.V.**

ISIN CODE CLASS A UNITS: NL00150004U5

ISIN CODE CLASS F UNITS: NL00150004V3

ISIN CODE CLASS I UNITS: NL00150004W1

**TERMS AND CONDITIONS  
OF  
ADMINISTRATION**

AUGUST~~MARCH~~ 2021

## CONTENTS

| Article | Page   |
|---------|--|
| 1       | DEFINITIONS ..... <u>7170</u>  |
| 2       | NAME, LEGAL FORM, TAX AND REGULATORY STATUS..... <u>7170</u>                   |
| 3       | TERM..... <u>7170</u>  |
| 4       | FUND OBJECTIVE, INVESTMENT STRATEGY, INVESTMENT RESTRICTIONS ..... <u>7170</u> |
| 5       | MANAGEMENT AND ADMINISTRATION, LIABILITY OF THE FUND MANAGER ..... <u>7271</u> |
| 6       | AUTHORITY TO INVEST AND ADMINISTER..... <u>7372</u>                            |
| 7       | CONFLICTS OF INTEREST..... <u>7372</u>   |
| 8       | RESIGNATION and removal OF THE FUND MANAGER ..... <u>7372</u>                  |
| 9       | FUND ASSETS AND FUND OBLIGATIONS..... <u>7473</u>                              |
| 10      | UNITHOLDERS, RIGHTS AND OBLIGATIONS OF THE UNITHOLDERS..... <u>7574</u>        |
| 11      | MEETINGS OF UNITHOLDERS, RESOLUTIONS OF UNITHOLDERS ..... <u>7574</u>          |
| 12      | UNITS, REGISTER..... <u>7675</u>   |
| 13      | SUBSCRIPTIONS..... <u>7776</u>   |
| 14      | REDEMPTION OF UNITS..... <u>7877</u>   |
| 15      | MANDATORY REDEMPTION OF UNITS ..... <u>8079</u>                                |
| 16      | TRANSFER AND ENCUMBRANCE OF UNITS ..... <u>8180</u>                            |
| 17      | FEEES AND EXPENSES ..... <u>8180</u>   |
| 18      | VALUATION PRINCIPLES..... <u>8483</u>  |
| 19      | REPORTING ..... <u>8584</u>  |
| 20      | DISTRIBUTIONS ..... <u>8685</u>  |
| 21      | AMENDMENT TO THE TERMS AND CONDITIONS ..... <u>8786</u>                        |
| 22      | REGULATORY CHANGES..... <u>8786</u>  |
| 23      | DISSOLUTION AND LIQUIDATION ..... <u>8786</u>                                  |
| 24      | INDEMNIFICATION..... <u>8887</u>   |
| 25      | MISCELLANEOUS..... <u>8988</u>   |
| 26      | NOTICES ..... <u>9089</u>  |
| 27      | APPLICABLE LAW AND COMPETENT COURT ..... <u>9089</u>                           |

## **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 the 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: Savin Multi-Strategy Arbitrage Fund N.V.
- 2.2 The Fund is a public limited liability company (*naamloze vennootschap*) organised and existing under the laws of the Netherlands.
- 2.3 The Fund is an investment fund (*beleggingsinstelling*) 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 Units in 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 On behalf of the Fund, a request has been filed with the Dutch tax inspector to grant the Fund the status of exempt investment institution by means of an official decree (*beschikking*) effective as per the date of its establishment. This implies that once the Fund has obtained such status, both the realization and the distribution of profits should have no tax implications.

## **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 23.1.

## **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, the strategy of the Fund is to employ complementary arbitrage strategies, striving for positive returns over a reasonable period of time regardless of market conditions or general market direction.
- 4.3 If the Fund holds investments denominated in currencies other than the Euro, 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 The Fund will not 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 with related party funds.

## **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 Fund for the account and risk of the Unitholders, and (ii) to perform any and all other acts in the name of the Fund for the account and risk of the Unitholders which are reasonably necessary for or conducive to the attainment of the Fund Objectives. The Fund Manager will be appointed as the sole board member of the Fund and of the STAK.
- 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 Unitholders. The management and administration of the Fund shall be performed for the account and risk of the Unitholders. Benefits and/or losses resulting therefrom shall consequently be for the benefit of or be borne by the Unitholders, without prejudice to the provisions of Article 10.3.
- 5.4 The Fund Manager shall only be liable towards the Unitholders for a loss suffered by them in connection with a breach of the 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 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 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 any Unitholder or any of its or their Affiliates;
  - 7.1.2 enter into any investment, divestment or other business transaction at non-arm's length terms and conditions; or
  - 7.1.3 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 with related party funds.
- 7.2 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.

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

- 8.1 The Fund Manager, without any further action of any party being required:

**8.1.1** shall resign 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** may resign upon the provision of sixty (60) calendar days' notice to the Fund, the Depositary and the Unitholders,

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 7.3 has become effective.

8.2 The Unitholders 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 Unitholders 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 Fund 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, Performance Fee and its reimbursements referred to in Article 17.2 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 Unitholders, Fund and the Depositary to a successor Fund Manager.

## **9 FUND ASSETS AND FUND OBLIGATIONS**

9.1 The STAK will hold all issued and outstanding shares in the capital of the Fund (the "**Shares**"). The STAK shall acquire and hold the Shares for the purpose of administration (*ten titel van beheer en bewaring*) for the account and risk of the Unitholders and will receive any income and proceeds on or originating from the Shares paid to it by the Fund on behalf and for the benefit of the Unitholders.

9.2 All Fund Assets shall be legally owned by the Fund and will be administered in the name of the Fund. All Fund Obligations shall be assumed by the Fund as debtor. All agreements of the Fund shall be entered into in the name of the Fund.

9.3 The Fund shall assume the Fund Obligations in its own name for the account and risk of the Unitholders, as qualified by these Terms and Conditions and without prejudice to the provisions of Article 10.3.

9.4 The Fund shall act solely in the interests of the Unitholders. Neither the Fund nor the STAK can represent (*vertegenwoordigen*) or bind the Unitholders directly or indirectly.

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

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

#### **10 UNITHOLDERS, RIGHTS AND OBLIGATIONS OF THE UNITHOLDERS**

10.1 Each Unitholder shall, subject to the provisions of these Terms and Conditions, be beneficially entitled to the Fund Assets and Fund Obligations allocable to the Class of Units it holds, and any income generated thereon pro rata the number of its Units in each Class.

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

10.3 The liability of a Unitholder vis-à-vis the STAK will be limited to the amount of the Total Subscription Price due by the Unitholder in respect of its Units to the extent not previously paid to the STAK, 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 Unitholders shall not be liable for the STAK's obligations, the Fund Manager's obligations or the Fund Obligations.

#### **11 MEETINGS OF UNITHOLDERS, RESOLUTIONS OF UNITHOLDERS**

11.1 Meetings of Unitholders will only be held when called by the Fund Manager. The Fund Manager must call a meeting of Unitholders (i) as often as the Fund Manager deems necessary in the interest of the Unitholders, and (ii) in case one (1) or more Unitholders holding, in total, at least 25% of the outstanding Units 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.

11.2 The agenda for a meeting of Unitholders shall be determined at the sole discretion of the Fund Manager or, as the case may be, the Unitholder(s) who requested the Fund Manager to hold the meeting in accordance with the second sentence of Article 11.1. No valid resolutions can be taken on subjects not mentioned on the agenda unless such resolution is taken by unanimity of votes of all Unitholders.

11.3 Notice for a meeting of Unitholders will be published on the Fund Manager's website and sent to the (e-mail) addresses of the Unitholders in accordance with the provision of Article 26.1 at least fourteen (14) calendar days prior to the date of the meeting of Unitholders. Such notice will state the date, time, place and location and the agenda for the meeting and enclose any documents relevant for the meeting.

- 11.4 With any request of the Fund Manager for consent or approval by the Unitholders, the Fund Manager will prepare a memorandum providing background information on the matter. The memorandum will be sent to the Unitholders not later than simultaneously with the convocation.
- 11.5 A Unitholder may participate in a meeting by telephone. Meetings of Unitholders may be held by conference call unless a majority of the Unitholders 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 Unitholders in order to be valid.
- 11.6 A Unitholder may authorise (*volmachtigen*) another Unitholder or other person to attend a meeting of Unitholders (or participate in a meeting of Unitholders 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.
- 11.7 The Fund Manager shall appoint a chairman of the meetings of Unitholders unless the meeting is called at the request of one or more of the Unitholders in which case the requesting Unitholder(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 Unitholders.
- 11.8 Each Unitholder may cast one (1) vote per Unit. Blank votes will be deemed not to have been cast.
- 11.9 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 Unitholders 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 Unitholder upon request.
- 11.10 The Fund Manager, or such other person designated by the chairman of the meeting will keep minutes of the meetings of Unitholders. The draft minutes will be distributed to all Unitholders within thirty (30) days after the date of the meeting and submitted for approval at the next meeting of Unitholders.
- 11.11 The Unitholders 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 Unitholders and none of them objects to the proposed manner of adopting resolutions.
- 11.12 Meetings of Unitholders holding a particular Class may also be held, and the above provisions of this Article 11 shall apply *mutatis mutandis*.

## **12 UNITS, REGISTER**

- 12.1 Units are rights registered in the name of the Unitholders. Unit certificates shall not be issued.
- 12.2 The Fund shall have three (3) classes of Units. Class A Units, Class F Units and Class I Units, which shall be issued based on the Total Subscription Price subscribed for by the Unitholder. The difference between the different Classes is (i) the minimum Total Subscription Price for each

Class; (ii) the Management Fee of each Class; (iii) the Performance Fee of each Class; and (iv) that holders of Class F Units shall be entitled to the Fee Sharing Discount. All Units regardless of the Class provide exposure to the same Investment Objective and Investment Strategy.

- 12.3 The Administrator shall keep the Register, specifying the name and address of each Unitholder, the number of its Units and the Class of each of its Units and the relevant Subscription Date.
- 12.4 The Administrator and the Fund Manager may rely on the accuracy of the information provided by each Unitholder for inclusion in the Register and treat such information as conclusive with respect to such Unitholder and its entitlement to its Units. The Administrator and the Fund Manager shall not be bound:
- 12.4.1 by any change in such information which has not been notified to the Administrator in accordance with Article 12.5 hereof; or
  - 12.4.2 to recognise any interest or claim of any person to a Unit other than those of the Unitholder duly registered in the Register as holder of these rights.
- 12.5 Each Unitholder shall notify the Administrator promptly by written notice (including e-mail) of any change in the information included in the Register in relation to such Unitholder. The Administrator shall upon receipt of such notice cause the Register to be amended accordingly within ten (10) Business Days.
- 12.6 Upon written request (including e-mail) to that effect by the Unitholder to the Fund Manager, the Register shall be available at the Fund Manager's office for the inspection of each Unitholder on Business Days, but only in so far as it concerns the Unitholder's own entry. Any costs related hereto shall be charged to the relevant Unitholder. With the prior written consent (including e-mail) of a Unitholder, the Fund Manager may disclose to another Unitholder the name of such Unitholder and the number of Units held by such Unitholder.
- 12.7 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 Fund or any of the Unitholders, including but not limited to the application of tax treaties between the jurisdiction of source of any income or gain and the jurisdiction of residence of a Unitholder respectively the Netherlands. Each Unitholder 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 Unitholder in support of the Fund Manager's duty and rights referred to in the preceding sentence.

### **13 SUBSCRIPTIONS**

- 13.1 The Fund Manager may at its sole discretion, but notwithstanding the further provisions of these Terms and Conditions, resolve that new Units are issued by the STAK at the request of a new or existing Unitholder set forth in a Subscription Agreement or decide to temporarily discontinue or indefinitely stop the issuance of Units by the STAK.
- 13.2 The price of issuance of a Unit shall be equal to the Subscription Price. The Total Subscription Price will be increased by the Fund Manager with a surcharge, with a maximum of 0.05% of the Total Subscription Price in normal market circumstances, in order to meet any costs and expenses of the Fund incurred for the acquisition of Fund Assets in order to issue the Units. The surcharge is for the benefit of the Fund. The surcharge may be substantially higher than 0.05% during times of severe market stress. The Fund Manager shall determine the Total Subscription Amount.
- 13.3 In the Subscription Form as completed by a subscribing investor shall inter alia be set forth the Total Subscription Price for which the subscriber requests issuance of Units. The Fund Manager may at its sole discretion resolve to refuse or to only partly accept a subscription for Units.
- 13.4 Applications for Units 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 ~~thirteen~~ (340) Business Days before the relevant Subscription Date as per which the applicant wishes to receive Units. Subscription Forms not received in time will be held over until the following Subscription Date. Completed applications are irrevocable once received by the Administrator.
- 13.5 Payment of the Total Subscription Price must be received in EUR in the bank account of the STAK as specified in the Subscription Form at least ~~thirteen~~ (340) Business Days before the relevant Subscription Date as per which the applicant wishes to receive Units (please refer to the Subscription Form for further payment details and instructions).
- 13.6 Units shall be issued by the STAK and acquired by the Unitholders on Subscription Dates but the Units subscribed for will not be issued if the Total Subscription Price with respect to Units subscribed for due by the subscriber has not been received by the STAK.
- 13.7 Immediately upon the completion of the issuance of new Units, the Fund Manager shall procure that the appropriate entries are made in the Register.

#### **14 REDEMPTION OF UNITS**

- 14.1 The STAK is obliged to, subject to this Article 14 and the further provisions of these Terms and Conditions, redeem Units at the request of a Unitholder set forth in a Redemption Notice. Any and all Units that are redeemed shall not be held by the STAK but shall be automatically cancelled.
- 14.2 The price of redemption of a Unit shall be equal to the Redemption Price. The Total Redemption Price will be decreased by the Fund Manager with a discount, with a maximum of 0.05% of the Total Redemption Price in normal market circumstances, in order to meet any costs and expenses of the Fund incurred for the disposal of Fund Assets in order to redeem the Units. The discount is for the benefit of the Fund. The discount may be substantially higher than 0.05%

during times of severe market stress. The Fund Manager shall determine the Total Redemption Amount.

- 14.3 In the Redemption Notice as completed by a Unitholder shall inter alia be set forth the Total Redemption Amount for which the Unitholder requests redemption of Units or the number of the Units to be redeemed and the Class of the Units to be redeemed.
- 14.4 Units shall be redeemed by the STAK on Redemption Dates, provided the requirements of the Terms and Conditions have been met. Redemption of Units as referred to in Article 15.1 may be effected at all times.
- 14.5 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 ten (10) 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.
- 14.6 The Total Redemption Amount will be paid to the redeeming Unitholder within five (5) Business Days after the applicable Redemption Date. The Total Redemption Amount may be paid earlier to the redeeming Unitholder at the sole discretion of the Fund Manager.
- 14.7 Requests for redemption may be refused in case applicable laws or regulations so require, for example laws or regulations within the anti-money laundering and sanctions sphere.
- 14.8 The STAK and the Fund Manager may suspend redemption of Units if:
- 14.8.1 the determination of the Net Asset Value has been suspended in accordance with Article 19.3;
  - 14.8.2 the transfer of funds realised from the sale of Fund Assets cannot, in the sole opinion of the Fund Manager, be effectuated at normal rates of exchange;
  - 14.8.3 relevant exchanges are not open for business or the sale of Fund Assets is otherwise restricted or suspended;
  - 14.8.4 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, negatively affect the rights of other Unitholders in a disproportional manner;
  - 14.8.5 the Unitholder did not act in compliance with applicable legislation or these Terms and Conditions;
  - 14.8.6 the valuation of Fund Assets or Fund Obligations to be sold cannot be promptly or accurately ascertained due to force majeure (*overmacht*); or
  - 14.8.7 a decision or action giving rise to the dissolution of the Fund described in Article 23 has occurred.
- 14.9 In the event Redemption Notices are received for a particular Redemption Date from one or more Unitholders for an aggregate Redemption Price equal to 20% or more of the Net Asset

Value of the Fund at such Redemption Date, if necessary to protect the interests of the remaining Unitholders and safeguard that such interests are not harmed disproportionately, the STAK and the Fund Manager may limit redemption of the relevant Units to redemption of Units with an aggregate Redemption Price equal to 20% of the Net Asset Value of the Fund and suspend redemption of the remaining Units subject of such Redemption Notices. Redemption of such remaining Units may then be held over to be effectuated at the first following Redemption Date. Such redemption and suspension shall be for each Unitholder from which a Redemption Notice had been received, pro rata the aggregate Redemption Price of each such Unitholder. If Redemption Notices are received for the following Redemption Date, from one or more Unitholders for an aggregate Redemption Price equal to 20% 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 Units from Redemption Notices received subsequently. In the event redemption of any Unit 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 and the STAK.

- 14.10 If the Fund Manager suspends the redemption of the Units, it shall inform the Unitholders and the AFM of such suspension without delay.
- 14.11 Immediately upon completion of the redemption of Units, the Fund Manager shall procure that the necessary amendments are made to the Register.
- 14.12 The STAK and the Fund Manager may delegate any or all part of their duties and responsibilities under this Article 14 to the Administrator. The Fund Manager will not delegate its portfolio management function or risk management function with respect to the Fund.

## **15 MANDATORY REDEMPTION OF UNITS**

- 15.1 The STAK and the Fund Manager shall be entitled to redeem all (but not part of) the Units of any Unitholder:
  - 15.1.1 if the Unitholder 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;
  - 15.1.2 if in the Fund Manager's reasonable opinion the tax position of the Fund or the STAK or any of the other Unitholders is or will become negatively affected due to the tax status or position or any change therein of the relevant Unitholder or any other circumstance concerning such Unitholder; or
  - 15.1.3 if, for whatever reason, the continuation of the relationship cannot reasonably be expected from the Fund, the STAK and/or the Fund Manager.
- 15.2 Each Unitholder agrees that it shall immediately notify the Fund Manager if any status, position or change therein as referred to in Article 15.1.1 occurs in its respect or if it becomes aware of



circumstances in all reasonableness qualifying as circumstances as referred to in Article 15.1.2 or Article 15.1.3 in its respect.

15.3 Upon redemption of Units in accordance with the provisions of Article 15.1 the Unitholder 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.

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

#### **16 TRANSFER AND ENCUMBRANCE OF UNITS**

16.1 A Unitholder cannot sell, donate, exchange, assign, transfer, encumber any of such Unitholder's Units without the prior written approval of the Fund Manager.

16.2 Any transfer, assignment or encumbrance of Units in violation of this Article 16 shall be null and void.

#### **17 FEES AND EXPENSES**

17.1 The following fees, costs and expenses shall be borne by the Fund:

**17.1.1** all transaction costs, i.e. all costs related to the sourcing, evaluating, making, holding or disposing of Fund Assets, including, but not limited to, custody and prime brokerage fees, advisors' fees, data costs, data warehousing, costs for data lines, due diligence costs, taxes and interest on investment-related borrowings and (other) transaction costs and expenses;

**17.1.2** all of the Fund's and STAK's operational costs, including, but not limited to, all costs of legal, tax, administrative, legal ownership, depositary, accounting, regulatory and other reporting, valuation, regulatory and supervision fees of the Fund and the STAK and all other operational expenses within scope of Article 17.1.3.

**17.1.3** Other operational costs that will be charged to the Fund include, but are not limited to, all costs of legal and tax advice, administrative and accounting support and systems, risk management and trade compliance systems and the maintenance and enhancements of these systems, maintaining a bank account, reporting, advice provided to the Fund and the STAK and all costs of communications with and meetings of the Unitholders. The other operational costs are subject to a maximum of 0.25% of the Net Asset Value (i.e. twenty-five basis points) per annum.

**17.1.4** all taxes and governmental charges levied against the Fund and the STAK or their 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 17.1;

**17.1.5** all reasonable Organisational Expenses;

**17.1.6** the Management Fee and the Performance Fee; and

**17.1.7** all fees in connection with the compliance by the Fund, the STAK and the Fund Manager in its capacity of the manager of the Fund with the AIFMD related legislation.

17.2 To the extent that the Fund Manager or the STAK pays or otherwise bears any costs or expenses on behalf of the Fund that are pursuant to Article 17.1 to be borne by the Fund, the Fund shall reimburse the Fund Manager or the STAK, as the case may be, for the same.

17.3 Costs, fees and expenses that are not explicitly assumed by the Fund pursuant to Article 17.1 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.

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

- 1.80% of the Net Asset Value (i.e. 180 basis points) of the Class A Units;
- 2.00% of the Net Asset Value (i.e. 200 basis points) of the Class F Units;
- 1.50% of the Net Asset Value (i.e. 150 basis points) of the Class I Units,

excluding (i.e. before deduction of) the Management Fee, as at the last Business Day of each calendar 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 and the Fund Manager. The Management Fee shall be calculated for each Class separately and applied against the Net Asset Value of the Units in the relevant Class.

17.5 The Fund Manager is entitled to a variable performance fee out of the Fund Assets that is payable annually in arrears of (i) 20% of the Net Capital Appreciation during such year with respect to Class A Units; (ii) 20% of the Net Capital Appreciation during such year with respect to Class F Units; and (iii) 15% of the Net Capital Appreciation during such year with respect to Class I Units. The Performance Fee shall be subject to a High Watermark principle that Performance Fee is only payable to the extent that the End Value of the relevant year is higher than the End Value of any previous year during the life of the relevant Class, ensuring that the Fund Manager only receives Performance Fee in so far as any decrease of Net Asset Value during the life of the Fund has been recovered through a subsequent increase of Net Asset Value. Where the Closing Date or the dissolution date of the Fund occurs during a calendar month, the Performance Fee shall be pro rata for the relevant portion of the month that the Fund was managed. The performance fee is calculated and measured as at the last Business Day of each calendar month, and payable annually after the end of the financial year of the Fund or at redemption, as applicable. The Performance Fee shall be calculated for each Class separately and applied against the Net Asset Value of the Units in the relevant Class. The performance fee in respect of the relevant outstanding Units shall be payable to the Fund Manager within one (1) month after the end of the relevant financial year.

17.6 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. The description of the actual remuneration policy of the Fund Manager is available on the website of the Fund Manager and upon request, a copy of such policy shall be provided to the Unitholder free of charge.

17.7 Unitholders holding Class F Units will receive the Fee Sharing Discount on a monthly basis.

## **18 VALUATION PRINCIPLES**

- 18.1 The Fund Manager has delegated the calculation of the Net Asset Value to the Administrator.
- 18.2 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:
- 18.2.1 securities regularly listed on a stock exchange shall be valued at the most recent price delivered by reputable data vendors, including without limitation Bloomberg, Reuters, Fact Set and Financial Times;
  - 18.2.2 securities for which no daily price is calculated shall be valued on the basis of the most recent official price, unless the Fund Manager (or Administrator as delegated party) is of the opinion that this price does not correspond with the actual value of the security in question, in which case the Fund Manager (or Administrator as delegated party) can determine the value itself on the basis of all available information;
  - 18.2.3 securities which are neither listed nor quoted on any securities exchange or similar electronic system or if, being so listed or quoted, are not regularly traded thereon or in respect of which no prices as described above are available, will be valued at their probable realisation value as determined by the Fund Manager (or Administrator as delegated party) in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, and such other factors as the Fund Manager (or Administrator as delegated party) deems relevant in considering a positive or negative adjustment to the valuation;
  - 18.2.4 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 Fund Manager (or Administrator as delegated party) may determine in its sole discretion which market shall prevail;
  - 18.2.5 investments, 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 provided by the relevant counterparty;
  - 18.2.6 deposits will be valued at their cost-plus accrued interest;
  - 18.2.7 investments in Investee Funds will be valued on the basis of the latest available valuation of Investee Funds Interests provided by the administrators of the relevant Investee Funds;

**18.2.8** all other Fund Assets and Fund Obligations shall be valued on the basis of current fair value, subject to the most recent market quotations and customary valuation methods that apply for the relevant Fund Asset or Fund Obligation; and

**18.2.9** all Fund Assets and Fund Obligations denominated in foreign currency shall be converted into Euro in accordance with the currency exchange rate prevailing at the close of business of last calendar day of the relevant month.

**18.2.10** The valuation shall be performed in accordance with article 19 AIFMD.

## **19 REPORTING**

**19.1** The financial year of the Fund shall begin on the first day of January and end on the thirty first day of December of such 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 2021.

**19.2** On each Valuation Date the Fund Manager shall determine the Net Asset Value and the Net Asset Value per Unit (per Class or otherwise). The Net Asset Value shall be expressed in EUR. The Net Asset Value and the Net Asset Value per Unit can be found on the website of the Fund Manager.

**19.3** The Fund Manager may declare a suspension of the determination of the Net Asset Value and the Net Asset Value per Unit (per Class or otherwise):

**19.3.1** if one or more stock exchanges on which Fund Assets are listed, are closed on other days than normal days of closure or if the transactions on these exchanges are suspended or subject to irregular restrictions;

**19.3.2** 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;

**19.3.3** if there are factors relating to the regulatory, political, economic, military or monetary situation that make it impossible for the Fund Manager to determine the Net Asset Value; or

**19.3.4** if a resolution to liquidate the Fund is passed.

**19.4** If the Fund Manager has suspended the determination of the Net Asset Value and the Net Asset Value per Unit (per Class or otherwise) pursuant to and in accordance with Article 19.3, then the determination of the Net Asset Value for the calculation of the Management Fee pursuant to Article 17.4 and the determination of the Net Asset Value for the calculation of the Performance Fee pursuant to Article 17.5 are likewise suspended and the Net Asset Value shall be determined for these purposes per such later date.

- 19.5 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 Unitholders or the Fund (i.e. the then present Unitholders) incurred losses by a subscription or redemption against the erroneously calculated Net Asset Value, the Fund Manager will provide compensation (in cash or in Units) for the relevant Unitholder and/or the Fund (i.e. the then present Unitholders) for the actual losses incurred, unless the error is not attributable to the Fund Manager, taking into account their liabilities as set out herein. The compensation will be paid out of the Fund Assets. In case such error in the calculation of the Net Asset Value, has been made due to a mistake of the Fund Manager or Administrator, the Fund Manager will compensate Unitholders who have redeemed and/or subscribed to the Fund for the actual losses incurred.
- 19.6 Within six (6) months after the end of 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.
- 19.7 The annual accounts will be adopted by the Fund Manager.
- 19.8 The Fund Manager will make available copies of the annual accounts and the annual report free of charge to each Unitholder, notwithstanding its compliance with other publication requirements under applicable laws.
- 19.9 The annual accounts shall be published on the Fund Manager's website.
- 19.10 Within thirty (30) days after the end of each calendar quarter during the life of the Fund (or as soon thereafter as is reasonably possible), the Administrator shall provide to the Fund Manager a performance report of the Fund over such quarter, including the Management Fee and the Performance Fee, per Class.
- 19.11 The Administrator or the Fund Manager shall at the request of any Unitholder, and each Unitholder 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 Administrator or the Fund Manager, or such Unitholder, respectively, is able to obtain such information without unreasonable effort or expense.

## **20 DISTRIBUTIONS**

- 20.1 The Fund Manager may, at its sole discretion and at any time, decide to distribute any Net Proceeds to the Unitholders. All distributions to Unitholders will be made pro rata to the numbers of Units held by each of them in each Class.
- 20.2 Distributions of Net Proceeds will be made in cash, in EUR.
- 20.3 Any distribution to the Unitholders, including the amount, composition and manner of payment, shall be published on the Fund Manager's website.

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

- 21.1 These Terms and Conditions may be amended pursuant to a joint resolution of the Fund, the STAK and the Fund Manager.
- 21.2 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.
- 21.3 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.
- 21.4 An amendment of the Prospectus or the Terms and Conditions causing a reduction in Unitholders' rights or security, imposing costs on the Unitholders or causing a change to the Investment Strategy does not become effective in relation to the Unitholders until one (1) month following the date on which such notification has been published on the Fund Manager's website. Unitholders have the right to redeem their Units within this period following the date on which such notification has been disclosed.
- 21.5 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 21.

## **22 REGULATORY CHANGES**

- 22.1 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 and the Fund Manager may come into force.
- 22.2 The Fund and Fund Manager may amend the Fund Documents if the Fund and the Fund Manager reasonably determine that a regulatory change has a material adverse effect on the Fund 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.

## **23 DISSOLUTION AND LIQUIDATION**

- 23.1 The Fund shall be dissolved upon the happening of any of the following events:

- 23.1.1 the resignation of the Fund Manager, without a successor Fund Manager having been appointed in time in accordance with Article 8.3;
  - 23.1.2 the removal of the Fund Manager, without a successor Fund Manager having been appointed in time in accordance with Article 8.3;
  - 23.1.3 notice served by the Fund and the Fund Manager on the Unitholders following any change in the law as a result of which, in the reasonable opinion of the Fund and the Fund Manager, the continuation of the Fund becomes unlawful or is not expedient;
  - 23.1.4 notice served by the Fund and the Fund Manager on the Unitholders following any change in market conditions as a result of which, in the reasonable opinion of the Fund and the Fund Manager, the continuation of the Fund is not expedient; or
  - 23.1.5 notice served by the Fund and the Fund Manager on the Unitholders pursuant to Article 15.9 if redemption of any Unit has been suspended for a period of longer than nine (9) months after the Redemption Date of the original Redemption Notice.
- 23.2 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 23.
- 23.3 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 Unitholders and the Fund Manager. During the liquidation period these Terms and Conditions shall, to the extent possible, remain in full force and effect.
- 23.4 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 23.1.1, then the Unitholders 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 23.3.
- 23.5 After payment of a final Management Fee and Performance Fee, the balance left after the liquidation shall be paid in cash to the Unitholders in accordance with the provisions of Article 20. 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 20.

## 24 INDEMNIFICATION

- 24.1 The Fund, the Fund Manager, the STAK and 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 or the STAK within the framework of these Terms and Conditions, provided however that no Indemnified Person shall be so indemnified with respect to any act or omission of such Indemnified Person found by any court or governmental body of competent jurisdiction (or admitted to by the Fund Manager in a settlement of any lawsuit) to have resulted from actual fraud, bad faith, wilful misconduct, gross negligence or a material violation of applicable laws that has a material adverse effect on the Fund.

24.2 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 or the STAK, 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 24.1.

24.3 The rights of the Indemnified Persons to be indemnified in accordance with this Article shall survive the termination of the Fund.

## **25 MISCELLANEOUS**

25.1 The Fund Manager shall and shall cause the Fund to comply and to continue to comply and shall request the Unitholders 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 Unitholders of any non-compliance that comes to its attention which could have an impact on the Unitholders.

25.2 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.

25.3 No failure to exercise and no delay in exercising on the part of any of the Unitholders 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.

25.4 These Terms and Conditions and the Subscription Form constitute the entire agreement between the Fund, the STAK and the Fund Manager and each of the Unitholders, 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 fully expressed in these documents.

## **26 NOTICES**

26.1 All notices to Unitholders shall be sent in writing to the addresses of Unitholders stated in the Register.

26.2 All notices to the Fund, the STAK, 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 Unitholders in accordance with the provisions of Article 26.1. Notices to the Administrator shall be deemed to be received by the Administrator (i) where the delivery thereof has been acknowledged by a signed receipt or (ii) following a written confirmation of receipt by the Administrator.

The Fund, the STAK, the Fund Manager: **Privium Fund Management B.V.**  
Gustav Mahlerplein 3, 26<sup>th</sup> floor, Financial Offices  
1082 MS Amsterdam  
The Netherlands  
E-mail: [info@priviumfund.com](mailto:info@priviumfund.com)

The Administrator: **Circle Investment Support Services B.V.**  
Smallepad 30 F  
3811 MG Amersfoort  
The Netherlands  
E-mail: [investors.nl@circlepartners.com](mailto:investors.nl@circlepartners.com)

## **27 APPLICABLE LAW AND COMPETENT COURT**

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

27.2 These Terms and Conditions shall remain in full force and effect until the Fund is liquidated.

27.3 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**