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**PROSPECTUS**

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**OFFER OF UNITS REGARDING  
TPM PRIVIUM PRIVATE DEBT PORTFOLIO**

**8 November 2024**

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## **CHAPTER 1      IMPORTANT INFORMATION**

### **1.1.      General**

The Units are offered and issued exclusively for and on behalf of the Fund. Upon issuance, the Manager acts as proxy holder for the Legal Owner. The Manager is charged with the responsibility of providing information to investors, which includes this Prospectus. The Manager will also act as point of contact for investors.

Potential Investors are expressly informed that any type of investment, including an investment in the Fund, involves financial risks. The value of the Fund Assets may fluctuate as a consequence of the investment policy applied by the Manager. Consequently, Investors may receive less than their invested amount in the Fund.

Potential Investors should read the entire content of this Prospectus, including but not limited to the risk factors described in Chapter 7 (*Risk Factors*). This investment is suitable for investors who want to invest in the asset category private debt.

The Fund is entered into for an indefinite term and will only have limited and conditional redemption rights. An investment in private debt requires a medium to long-term investment horizon. An investment in the Units is therefore not suited for persons with a shorter investment horizon or for investors who wish to be able to sell their investment at short notice. Investments in the Fund must be made as part of a diversified portfolio. In case of any doubt or insufficient clarity, investors should consult with an investment adviser, in order to form a well-balanced opinion on the contents and meaning of this Prospectus and how these relate to their personal situation. The Manager nor any related party to the Fund gives investment advice.

The information in this Prospectus reflects the situation on the date of this Prospectus unless specifically indicated otherwise. For the sake of completeness, the Fund and the Manager note that they cannot guarantee that the information in this Prospectus will still be correct at a time later than the date of this Prospectus.

Investors may not rely on any other document or other expression, including but not limited to any brochures, presentations, leaflets or oral statements, other than this Prospectus, including its Annexes referred to in Paragraph 11.1 and the documents published on the Website as referred to in Paragraphs 11.2 and 11.3.

Neither the Prospectus nor any other document published in connection with the Units should be considered a recommendation to purchase Units. Each investor considering an investment in the Units must independently investigate their own financial position and risk appetite as well as the creditworthiness of the Fund, possibly by engaging one or more expert advisers.

### **1.2.      Responsibility Statements**

#### **1.2.1.      Statement from the Manager**

All information from third parties, in so far as included in this Prospectus, is correctly reflected and, to the best of the Manager's knowledge, and in so far as the Manager has been able to determine from information published by the third parties involved, no facts have been omitted that could make the information provided incorrect or misleading.

When compiling the issue documentation, the Fund obtained advice from financial, legal and tax advisers, as indicated in Chapter 10 of this Prospectus (*Parties Involved*). The responsibility of these advisers – exclusively vis-à-vis the Fund – is limited to their field of expertise and to the subject of their advice.

The Manager further declares that the Fund, the Legal Owner and the Manager comply with the rules and regulations set forth in or pursuant to the Financial Supervision Act and that this Prospectus meets the requirements set forth in or pursuant to the Financial Supervision Act.

#### 1.2.2. Responsibility for the composition and audit of the Annual Accounts and Semi-Annual Accounts

The Annual Accounts and annual report shall be drawn up in accordance with the relevant provisions of Dutch GAAP and shall be audited by the Auditor. The Semi-Annual Accounts shall not be audited.

#### 1.2.3. Assurance report Auditor

The Auditor has confirmed whether this Prospectus contains all elements required pursuant to the Financial Supervision Act. The assurance report is included as Annex III to this Prospectus.

### **1.3. Forecast**

This Prospectus contains statements that express expectations for the future, including in respect of the financial position of the Fund, its returns and the investments it holds. The expectations, presumptions, analyses, calculations, comments and forecasts included in this Prospectus are provided exclusively for information purposes; they have not been verified and no opinion has been issued by an authorised chartered accountant or auditor. The forecasts included in this Prospectus are not a guarantee of any kind for the return on the Units.

### **1.4. The offer of the Units**

#### 1.4.1. Minimum Investment

Admission to the Fund is possible if an Investor acquires Units which represent a collective value of at least EUR 250,000. The Manager can make exceptions in individual cases at its sole and absolute discretion. The Manager may accept investments from clients of wealth managers, private banks, family offices and other type of Investors, up to the discretion of the Manager. For those Investors, investments below EUR 100,000 may be accepted as well per sole discretion of the Manager.

#### 1.4.2. Sale and Transfer Restrictions

The issue and distribution of this Prospectus as well as the offer, sale and transfer of Units may be subject to statutory or other restrictions in certain jurisdictions. The Fund requests that individuals taking possession of this Prospectus familiarise themselves with and comply with those restrictions. Neither the Fund nor the Manager accept liability for any violation of any such restriction by anyone whomsoever, regardless of whether that individual is a potential Investor. This Prospectus in itself does not entail any offer of any security or an invitation to make an offer to purchase any security to any individual in any jurisdiction where such is not permitted according to the applicable law and regulations.

#### 1.4.3. Selling Restrictions

The distribution of this Prospectus and the offer, sale and delivery of the Units in certain jurisdictions other than the Netherlands 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.

The Units are offered to Investors, which may include both Professional Investors and Non-Professional Investors, in the Netherlands.

In other jurisdictions and/or other European Member States the Fund may be offered and sold to Professional Investors only. For European Member States a European passport will be obtained in accordance with the AIFM Directive through the regulator-to-regulator notification procedure.

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. Set forth below is a non-exhaustive list of selling restrictions.

#### **Luxembourg**

The AIFM has notified to its home regulator, the Dutch Authority for Financial Markets ("Autoriteit Financiële Markten"), the intention to market Units of the Fund in Luxembourg through the EU passport, to Professional Investors. Accordingly, the Commission de Surveillance du Secteur Financier (CSSF), has received the Fund's documents mentioned under article 32 AIFMD. The Fund will not be offered to any non-Professional Investors in Luxembourg.

#### **Italy**

The AIFM has notified to its home regulator, the Dutch Authority for Financial Markets ("Autoriteit Financiële Markten"), the intention to market Units of the Fund in Italy through the EU passport, to Professional Investors. Accordingly, the Commissione Nazionale per le Società e la Borsa (CONSOB), has received the Fund's documents mentioned under article 32 AIFMD. The Fund will not be offered to any non-Professional Investors in Italy.

#### **Belgium**

The AIFM has notified to its home regulator, the Dutch Authority for Financial Markets ("Autoriteit Financiële Markten"), the intention to market Units of the Fund in Belgium through the EU passport, to Professional Investors. Accordingly, the Belgian Financial Services and Markets Authority ("Autorité des Services et Marchés Financiers" or "Autoriteit voor Financiële Diensten en Markten") has received the Fund's documents mentioned under article 32 AIFMD. The Fund will not be offered to any non-Professional Investors in Belgium.

#### **Czech Republic**

The AIFM has notified to its home regulator, the Dutch Authority for Financial Markets ("Autoriteit Financiële Markten"), the intention to market Units of the Fund in the Czech Republic through the EU passport, to Professional Investors. Accordingly, the Czech National Bank ("Česká národní banka"), has received the Fund's documents mentioned under article 32 AIFMD. The Fund will not be offered to any non-Professional Investors in the Czech Republic.

#### **Ireland**

The AIFM has notified to its home regulator, the Dutch Authority for Financial Markets ("Autoriteit Financiële Markten"), the intention to market Units of the Fund in Ireland through the EU passport, to Professional Investors. Accordingly, the Central Bank of Ireland ("CBI") has received the Fund's documents mentioned under article 32 AIFMD. The Fund will not be offered to any non-professional investors in Ireland.

#### **United Kingdom**

In the United Kingdom, this document is being distributed only to and is directed at: (i) persons who have professional experience in matters relating to investments falling within Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) (the "FPO"); (ii) high net worth entities and other persons to whom it may otherwise lawfully be communicated falling within Article 49 of the FPO; (iii) certified sophisticated investors falling within Article 50 of the FPO; or (iv) other persons to whom it may lawfully be directed under an exemption contained in the FPO (the persons specified in (i), (ii), (iii) and (iv) above are, together, referred to as relevant persons). Accordingly, this document is exempt from the general restriction in Section 21 of the Financial Services and Markets Act 2000 on the grounds that it will be communicated only to relevant persons. Persons who are not relevant persons must not act on or rely on this document or any of its contents. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. Relevant persons in receipt of this document must not distribute, publish, reproduce, or disclose this document (in whole or in part) to any person who is not a relevant person.

#### 1.4.4. United States of America

The Units are not and will not be registered under the Securities Act of 1933 or under the relevant law of any state of the United States of America. The Units will not be either directly or indirectly offered, issued, sold, pledged, delivered or transferred in or to the United States of America.

### **1.5. Supervision by the AFM**

On the date of this Prospectus, the Fund is managed by the Manager, which has its seat in the Netherlands and is authorised and regulated by the AFM in accordance with Article 2:65 of the Financial Supervision Act as an alternative investment fund manager within the meaning of the AIFM Directive. Consequently, the Manager is under the market conduct supervision of the AFM and prudential supervision of DNB, and under this licence is authorised to manage investment funds, which includes the Fund.

In connection with the respective offer and issue of the Units, no prospectus is being made generally available that is subject to approval by the AFM as referred to in Article 3(1) of the Prospectus Regulation. This is because the Fund qualifies as an open-ended Fund for purposes of the Prospectus Regulation.

### **1.6. Miscellaneous**

The law of the Netherlands applies to this Prospectus. This Prospectus will be published in the English language only. Translations of Dutch legal terms used in this Prospectus are for convenience only and shall not influence the interpretation thereof.

The Annual Accounts and Semi-Annual Accounts will always be made available via the Website and are available for Investors free of charge upon request.

## CHAPTER 2 DEFINITIONS

Terms that are capitalised in this Prospectus that in the following list of definitions have the following meaning unless the context explicitly indicates otherwise; terms defined in the singular have the same meaning in the plural, and vice versa.

<b>Administrator</b>	IQ EQ Financial Services B.V., a private company with limited liability, incorporated under Dutch law, with its registered office in Amsterdam, at the address: Hoogoorddreef 15, 1101BA, Amsterdam, the Netherlands, registered in the Commercial Register of the Chamber of Commerce under number 33278110;
<b>AFM</b>	<i>Stichting Autoriteit Financiële Markten</i> , the Netherlands Authority for the Financial Markets;
<b>AIF</b>	an alternative investment fund within the meaning of Article 4, section 1, under (a) AIFM Directive, which also includes the Fund;
<b>AIFM</b>	an alternative investment fund manager within the meaning of Article 4, section 1, under (b) AIFM Directive, which also includes the Manager;
<b>AIFM Directive</b>	Directive 2011/61/EU on Alternative Investment Fund Managers;
<b>Annex</b>	an annex to this Prospectus;
<b>Annual Accounts</b>	the annual accounts of the Fund, including the balance sheet and profit and loss account, an equity transaction summary, a cash flow summary, the principles of the financial reporting and the notes to the same, as well as the report for any Financial Year;
<b>Auditor</b>	the auditor of the Fund, EY Accountants B.V. at the date of this Prospectus;
<b>Board of Management</b>	the statutory board of management of the Manager as provided for in the articles of association;
<b>Business Day</b>	a business day, not being a Saturday or Sunday, on which the banks are open in the Netherlands;
<b>Chapter</b>	a chapter of this Prospectus;
<b>Class</b>	a class of Units in the Fund, each class representing a proportionate right to the Fund Assets and Fund Obligations (pro rata to the relevant Net Asset Value per Class); the specifics of each Class are set forth in the applicable Class Details;

<b>Class Details</b>	<p>the (economic and other) specifics of a Class, for each Class as set out in paragraph 6.2 of this Prospectus. The Fund will offer the following Classes:</p> <ul style="list-style-type: none"> <li>- 'Class Charity' or 'Class C'</li> <li>- 'Class Institutional' or 'Class I'</li> <li>- 'Class Institutional- Distributing' or 'Class I-D'</li> <li>- 'Class Regular' or 'Class R'</li> <li>- 'Class Regular- Distributing' or 'Class R-D'</li> <li>- 'Class Seeding' or 'Class S'</li> <li>- 'Class Zero' or 'Class Z'</li> </ul>
<b>Charity Investor</b>	<p>an Investor who is a Dutch foundation (<i>stichting</i>) and qualifies as a public benefit institution (<i>algemeen nut beogende instelling</i>, ANBI) within the meaning of Article 2, section 3, subsection m. of the General Law on State Taxes (<i>Algemene wet inzake de rijksbelastingen</i>) and as such is eligible to invest in the Class Charity;</p>
<b>Depository</b>	<p>the depository of the Fund, being IQ EQ Depository B.V., a private company with limited liability, incorporated under Dutch law, with its registered office in Amsterdam, at the address: Hoogoorddreef 15, 1101BA, Amsterdam, the Netherlands, registered in the Commercial Register of the Chamber of Commerce under number 59062576;</p>
<b>Depository Agreement</b>	<p>the agreement between the Depository, the Manager and the Legal Owner, in which the Depository is appointed as depository of the Fund within the meaning of Article 21 of the AIFM Directive;</p>
<b>DNB</b>	<p>the Dutch Central Bank (<i>De Nederlandsche Bank</i>);</p>
<b>Dutch AML Act</b>	<p>the Dutch Anti-Money Laundering and Terrorist Financing Act (<i>Wet ter voorkoming van witwassen en financieren van terrorisme</i>);</p>
<b>EUR</b>	<p>euro, the legal currency of the European Monetary Union;</p>
<b>Financial Supervision Act</b>	<p>the <i>Wet op het financieel toezicht</i> (Financial Supervision Act) as it reads on the date of the Prospectus, as well as any future amendments;</p>
<b>Financial Year</b>	<p>the financial year of the Fund, which coincides with the calendar year. The first financial year of the Fund will commence on the first Business Day of October 2023 and end on the thirty first day of December 2024;</p>
<b>Formation Expenses</b>	<p>all costs incurred in connection with the formation of the Fund as described in Paragraph 8.3.1;</p>



<b>Fund</b>	the aggregate of the Fund Assets and Fund Obligations, in which monies or other assets are called or received for the purpose of collective investment by the Investors, as governed by the Fund Agreement;
<b>Fund Agreement</b>	the fund agreement dated August 14, 2023, laying down the terms and conditions of management and custody in relation to the Fund and updated from time to time, as attached to this Prospectus as <u>Annex I</u> ;
<b>Fund Assets</b>	the assets (tangible property and property rights) of which the Legal Owner is the legal owner or the beneficiary, but only for and on behalf of the Fund;
<b>Fund Documents</b>	the Fund Agreement, this Prospectus, the Subscription Form and the Redemption Form;
<b>Fund Obligations</b>	the obligations assumed by the Legal Owner in its name but for the benefit of the Fund, whether or not represented by the Manager, at the expense of the Fund's segregated capital;
<b>Institutional Investor</b>	an Investor who invests at least EUR 10 million in the Fund and as such is eligible to invest in the Class Institutional or in the Class Institutional- Distributing. This also includes investments from clients of intermediate parties such as wealth managers, family offices or private banks, to the extent the clients of such intermediate party jointly invest EUR 10 million;
<b>Investment Policy</b>	the Fund's investment policy, as explained in more detail in Chapter 3;
<b>Investor</b>	a natural person or legal person participating in the Fund in accordance with the Fund Agreement and Subscription Form;
<b>Key Information Document or KID</b>	the key information document within the meaning of the PRIIPs Regulation;
<b>Legal Owner</b>	Stichting TPM Privium Private Debt Portfolio, the legal entity charged with holding legal title to the Fund Assets and Fund Obligations, formed as a foundation under Dutch law, having its registered office in Amsterdam, the Netherlands, at the address: Hoogoorddreef 15, 1101 BA, Amsterdam, the Netherlands and registered in the Commercial Register of the Chamber of Commerce under number: 90306902;
<b>Management Fee</b>	the fee due by the Fund to the Manager as remuneration for its management of the Fund as set forth in Paragraph 8.3.3;

<b>Manager</b>	the manager ( <i>beheerder</i> ) of the Fund within the meaning of Article 1:1 of the Financial Supervision Act, being Privium Fund Management;
<b>Meeting of Investors</b>	the meeting of investors as referred to in Article 9.1 Fund Agreement;
<b>Net Asset Value</b>	the net asset value of the Fund, which is calculated by deducting the Fund Obligations from the Fund Assets;
<b>Net Asset Value per Unit</b>	the relevant Net Asset Value per Class divided by the number of Units in issue within such Class;
<b>Net Asset Value per Class</b>	the Net Asset Value attributable to a Class;
<b>Net Proceeds</b>	all dividend and interest income, all divestment and redemption proceeds and all 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>Non-Professional Investor</b>	an investor who is not a Professional Investor;
<b>Paragraph</b>	a paragraph in this Prospectus;
<b>Portfolio Managers</b>	the portfolio managers in respect of the Fund, are Jeroen Afink and Stephan Kerkhoven;
<b>PRIIPs Regulation</b>	Regulation (EU) No 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products, as amended from time to time;
<b>Private Debt</b>	has the meaning attributed to it in paragraph 3.1;
<b>Private Debt Assets</b>	has the meaning attributed to it in paragraph 3.1;
<b>Privium Fund Management</b>	Privium Fund Management B.V., a private company with limited liability, established under the laws of the Netherlands, having its registered office in Aerdenhout, the Netherlands, at the address: Gustav Mahlerplein 3, Symphony Towers 26/F, 1082 MS Amsterdam, the Netherlands, and registered in the Commercial Register of the Chamber of Commerce under number: 34268930;
<b>Professional Investor</b>	a professional investor within the meaning of Article 4, section 1, under (ag) AIFM Directive;

<b>Prospectus</b>	this Prospectus, including its Annexes;
<b>Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC;
<b>Redemption Date</b>	a day on which Units may be redeemed in accordance with paragraph 6.4, being every first Business Day of every quarter. If such day is not a Business Day, the following Business Day;
<b>Redemption Form</b>	the form with which existing Investors may express their intention to redeem Units in the Fund, as included as Annex 1 in the Subscription Form;
<b>Redemption Notice Period</b>	at least 35 calendar days prior to a Redemption Date;
<b>Redemption Price</b>	the Net Asset Value per Unit of a certain Class as at the Valuation Date;
<b>Regular Investor</b>	an Investor who is not a Charity Investor, Institutional Investor or Seed Investor and as such is only able to invest in the Class Regular or the Class Regular- Distributing;
<b>Register of Investors</b>	the register kept by the Manager, containing the names, addresses and bank account numbers of the Investors, the number of Units held by the Investors and the indicators of those Units;
<b>Sanction Regulations</b>	the Sanctions Act 1977 ( <i>Sanctiewet 1977</i> ) and further (sanctions) regulations issued pursuant thereto;
<b>Seed Investor</b>	an Investor who invests within 12 months after the inception date of the Fund being the first Business Day of October, up to a maximum total investment amount of all subscriptions combined of EUR 100 million, will be an Investor in the Class Seeding. The Manager has discretion to deviate from the above at its sole discretion, provided that Investors who are in similar circumstances are treated similarly at all times.
<b>Semi-Annual Accounts</b>	the semi-annual accounts of the Fund;
<b>Settlement Date</b>	a date on which Units are issued and/or redeemed;
<b>SFDR</b>	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 may

	be amended from time to time;
<b>Subscription Date</b>	a day on which Units may be issued in accordance with paragraph 6.3, being the first Business Day of every quarter. If such day is not a Business Day, the following Business Day;
<b>Subscription Form</b>	the form with which potential investors subscribe to the Unit for acquisition thereof, as included in <u>Annex II</u> ;
<b>Subscription Notice Period</b>	at least 35 prior to a Subscription Date;
<b>Subscription Price</b>	the Net Asset Value per Unit of a certain Class as at the Valuation Date;
<b>Taxonomy Regulation</b>	Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
<b>Total Redemption Price</b>	the Redemption Price multiplied by the relevant number of redeemed Units of the applicable Class;
<b>Total Subscription Price</b>	the Subscription Price multiplied by the relevant number of issued Units of the applicable Class;
<b>UBO</b>	ultimate beneficial owner;
<b>UBO Register</b>	the register kept by the Dutch Chamber of Commerce ( <i>Kamer van Koophandel</i> ), containing the ultimate beneficial owners of a fund for joint account;
<b>Underlying Funds</b>	At the time of writing this Prospectus the Fund maintains investments in two funds investing in Private Debt Assets. These funds are being managed by StepStone Group Europe Alternative Investments Limited and Collier Capital. This excludes any investments in money market funds being maintained for cash management purposes.
<b>Unit</b>	an Investor's entitlement to the share in the Fund in proportion to their investment. One Unit has a nominal value of EUR 100 at the start of the Fund;
<b>Valuation Date</b>	means the last Business Day of each quarter or such other day or days as the Manager may from time to time determine at its sole discretion;
<b>Website</b>	the website maintained by the Manager, currently being <a href="http://www.priviumfund.com">www.priviumfund.com</a> ;

<b>Zero Investor</b>	an Investor that is a fund, managed by the AIFM or any other fund structures at the sole discretion of the Manager. Additionally, it includes persons (or their investment vehicle / holding company controlled by them) who are associated with the Manager and involved in the management of the Fund (e.g. the portfolio management team and any advisor).
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## CHAPTER 3 OBJECT, INVESTMENT POLICY AND INVESTMENT STRATEGY

### 3.1. Objective

The objective of the Fund is to provide an attractive risk-adjusted return to the Investors through underlying exposure to a portfolio of private loans and similar instruments (collectively "Private Debt" and the individual underlying assets forming the "Private Debt Assets"). The long-term target return range for the Fund is 3 Month Euribor + 600 – 800 bps per annum. There is no guarantee that the target return will be achieved. Allocations will be made through investments in or by means of private debt funds, separate accounts and co-investments (collectively the "Underlying Funds") which in turn have a – direct or indirect – exposure to Private Debt.

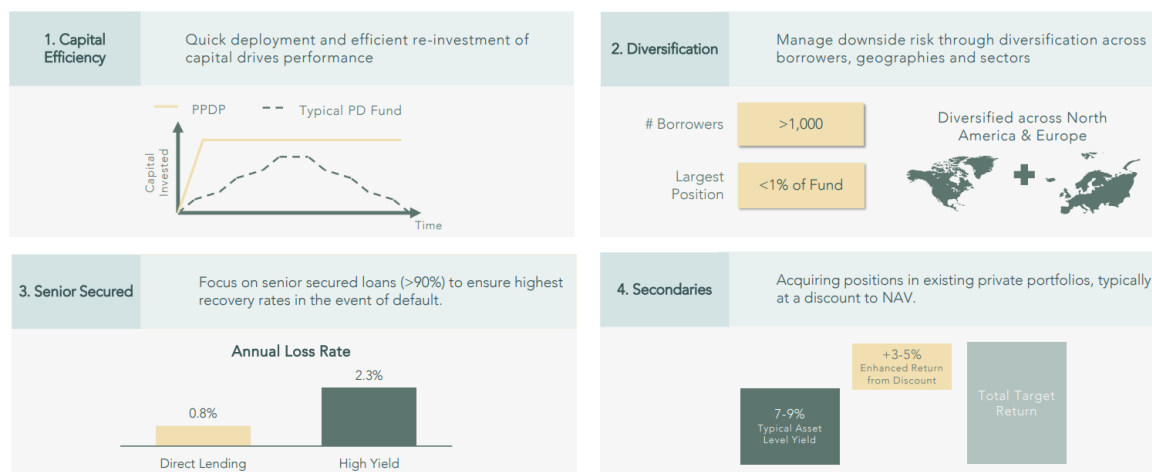
Separate accounts means to refer to vehicles that are exclusively being launched to accommodate an investment by the Fund based on terms that have been agreed by the Manager and the third party manager of the separate account. Co-investments are investment opportunities being offered by the third party managers of the private debt funds in which the Fund is invested, that allow investors to invest directly alongside those funds. The Fund will invest in separate accounts and/or co-investment vehicles through the acquisition of shares or similar types of equity instruments in those vehicles. It is however expected that the investments of the Fund will predominantly consist of private debt funds.

### 3.2. Investment Policy and Investment Strategy

The Fund seeks to provide diversified exposure to Private Debt, with the underlying loans generally senior secured, floating rate and short duration, to provide protection and increase euros earned during higher interest rate environments.

The Fund will not pursue an active and specific voting policy in respect of voting rights it can exercise on its investments and will determine its voting conduct on case-by-case basis.

#### 3.2.1. Key Features



For illustrative purposes only. Direct Lending loss rates based on StepStone database. High Yield loss rates based on CS Western European High Yield Index EU, assuming 40% recovery rate.

The key features of the Fund are as follows:

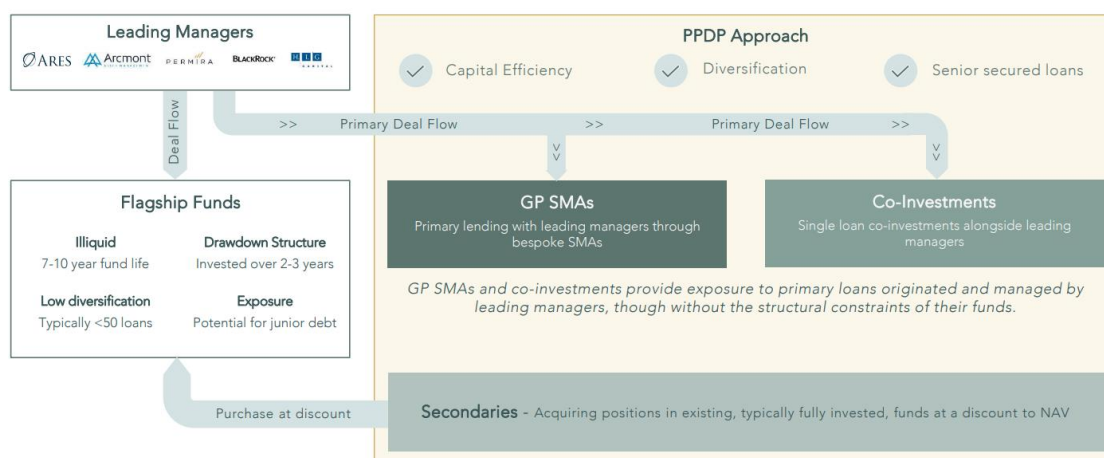
- 1: Efficient deployment & re-investment of capital
- 2: Diversification across hundreds of senior secured private loans to reduce risk

- 3: Focus on senior secured loans to limit loss rates
- 4: Exposure to opportunistic secondaries; quality assets at a discount to Net Asset Value (“NAV”)

### 3.2.2. Implementation

Traditional private debt funds typically offer limited capital efficiency and diversification. The Fund is targeting more sophisticated structures to deliver efficient deployment and re-investment of capital, whilst not compromising on diversification.

Consequently, the Fund will obtain exposure to Private Debt assets through a mix of private debt funds and managed accounts. The allocations will vary over time depending on the opportunity set and available capital. In all cases, these methods of investment will have similar underlying exposures to Private Debt; namely senior secured private loans.

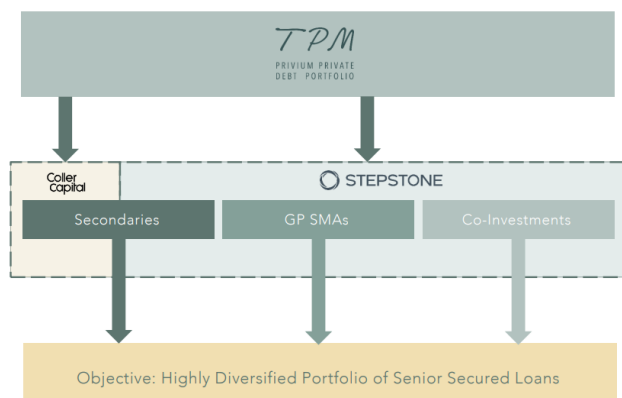


Managers for illustrative purposes only

At the inception of the Fund, these exposures have been obtained through a bespoke managed fund with StepStone Private Debt. StepStone Private Debt is one of the largest Private Debt investors globally.

The Fund expects to invest in other Private Debt opportunities where the Manager believes they are accretive to capital efficiency, diversification and/or yield potential. In all cases, these transactions will be managed (or led, in the case of co-investments) by established private debt fund managers elected by the Manager. The Fund therefore does not intend to employ a feeder-fund investment strategy, although it may formally be considered as such pursuant to the AIFM Directive in the early life of the Fund.

As of 30<sup>th</sup> June 2024, the Fund contained two Underlying Funds , as described below:



	STEPSTONE	Collier Capital
Total Assets	\$659bn	\$28bn
of which PD	\$46bn	\$4.6bn deployed capital
Investing in PD Since	2008	2007
PD Team Size	70+	11
Capabilities	<ul style="list-style-type: none"> <li>Secondaries</li> <li>GP SMAs</li> <li>Co-Investments</li> </ul>	<ul style="list-style-type: none"> <li>Secondaries</li> </ul>
PPDP Partnership	Bespoke SMA that tailors StepStone's capabilities across secondaries, GP SMAs and co-investments to deliver highly diversified exposure	PPDP has seeded a senior loan focused private credit secondaries vehicle, benefiting from attractive economics including a profit share
Role in PPDP	Allows for allocation across primary and secondary assets, reflecting relative value and market deal flow/deployment opportunities	Broad exposure to private credit secondaries, including significant off-market origination. Allows for incremental exposure in addition to StepStone executed secondaries

### 3.2.3. Liquidity

The Private Debt Assets, through the Underlying Funds investing in Private Debt Assets, are generally illiquid in nature and not traded on public markets. However, there are certain characteristics of private debt investments which allow for a diversified fund, such as the Fund, to offer limited liquidity to its investors. Specifically;

- **Current Income** - Direct lending strategies provide a reliable source of cash through their high coupon rate, which provides a consistent and predictable stream of liquidity that remains stable throughout the business cycle. As direct lending deals are typically structured as floating rate, the asset class effectively adjusts to current market conditions.
- **Capital Repayments** - Whilst most direct lending loans are structured to have a term of up to 7 years, most are re-paid well before their legal maturities (typically within 3-5 years of inception). Assuming therefore that a loan is on average outstanding for 4 years, 25% of a vintage diversified private debt portfolio would mature in any given year, equivalent to c.6% per quarter.

The Fund will allow for Investors to submit redemption requests on a quarterly basis in accordance with paragraph 6.4, with the Fund having a minimum liquidity level per quarter of 1.25% (of Net Asset Value), equivalent to 5% per annum. To accommodate for redemptions the Fund will maintain a minimum of 2.5% of the Net Asset Value of the Fund in cash, cash equivalents (such as money market funds) and proceeds from confirmed pending redemptions at the Underlying Funds to be settled prior to the next Redemption Date. The Manager will achieve this liquidity for redeeming Investors using the following tools;

1. **Yield Generated by the Fund Assets** –Should the Fund need to meet Investor redemption requests, the income generated by the Fund Assets can be a source of liquidity. Private Debt Assets typically have a cash coupon of the prevailing base rate (typically with a 1% floor) plus at least 4% (often materially higher), creating as a minimum 5% cash income per annum.
2. **Flexibility within the Underlying Funds** – In addition to requested income distributions, the terms of the selected Underlying Funds allow for the Fund to redeem a certain part of its holding per quarter. Additional liquidity is expected, and would be made available to the Fund by the Underlying Funds on a best-efforts basis.



Finally, as an additional source of liquidity for redeeming Investors at a time of net subscriptions to the Fund, the Manager also has the ability to offset subscriptions and redemptions as of any quarterly Subscription Date / Redemption Date at the then prevailing Net Asset Value per Class.

The Fund Assets and the underlying Private Debt Assets are not traded on public markets.

### **3.3. Investment Criteria and Investment Restrictions**

#### **3.3.1. Investment Criteria**

The portfolio of the Underlying Funds will generally have the following characteristics:

Primary Focus	Private Debt, with focus on corporate direct lending
Other Asset Types	In addition to corporate direct lending, may also include other forms of debt: Credit Specialities (up to 50%), Real Estate / Infrastructure Debt (up to 50%) and Distressed & Opportunistic (up to 20%)
Security Type	Focus on senior secured
Borrower Profile	Focus on mid-market corporate borrowers, typically owned by a private equity sponsor
Diversification	Minimum of 100 underlying loans (after initial ramp-up period)
Geographic Exposure	Europe and US; US exposure subject to managing currency hedging
Sector Exposure	Diversified across sectors

#### **3.3.2. Investment Restrictions**

The following investment restrictions will apply:

- If the Fund holds investments denominated in currencies other than the Euro, this entails a foreign exchange risk. The Manager may therefore hedge foreign exchange risks if it considers this to be in the interest of the Fund. No other derivatives transactions will take place.
- The Fund will not engage in short selling.
- The Fund will not invest in Underlying Funds where additional unlimited capital calls or unlimited additional subscription amounts are required.
- Article 4:37(c)(5) and (6) Financial Supervision Act contains certain requirements for feeder AIFs within the meaning of article 4, section 1, under (m) of the AIFM Directive. Therefore, the Manager shall not (i) invest eighty-five per cent. (85%) or more of the Fund Assets in units or shares of (a) any one (1) AIF, or (b) more than one (1) AIF where such AIFs have identical investment strategies; or (ii) otherwise have an exposure of at least eighty five per cent. (85%) of the Fund Assets in any one (1) AIF, unless it would believe to still be acting in compliance with article 4:37(c)(5) Financial Supervision Act, for instance if:

1: following such investment or exposure the Fund shall not fall under the definition of a feeder AIF within the meaning of article 4, section 1, under (m) of the AIFM Directive; or

2: both the master-AIF and the AIFM of the master-AIF are established in a Member State and the AIFM of the master-AIF is authorised under the AIFM Directive by the financial regulator in the home Member State; or

3: the competent authorities so confirm.

- The Fund will maintain a minimum of 2.5% of the Net Asset Value of the Fund in cash, cash equivalents and proceeds from confirmed pending redemptions (at the Underlying Funds to be settled prior to the next Redemption Date), to pay for fees and to pay-out redemptions in the Fund and as such is allowed to invest in money market funds, deposits and other highly liquid (cash) instruments.
- The Manager is not authorised to effect borrowings for the account of the Fund and to enter into credit facility agreements on behalf of the Fund, provided that temporary borrowing arrangements with a maturity not exceeding twelve (12) months to bridge capital calls of any Underlying Funds or to enter into any other investment opportunity are allowed in an amount equal to maximum 10% of the Net Asset Value.

#### **3.4. Re-investments of Net Proceeds**

It is expected that the Fund will re-invest any Net Proceeds, including income generated by the Underlying Funds, and not make regular distributions to Investors. Cash flows received from the Underlying Funds may, at the discretion of the Manager, be used as a source of liquidity to satisfy redeeming Investors (see Liquidity section above in paragraph 3.2.3) for further details.

## CHAPTER 4 PRIVATE DEBT MARKET ANALYSIS

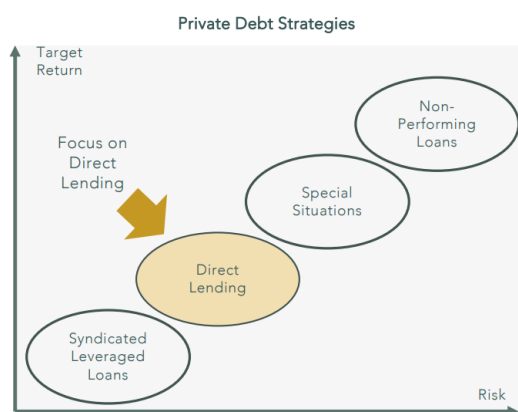
### 4.1. Private Debt Asset Class

#### 4.1.1. General

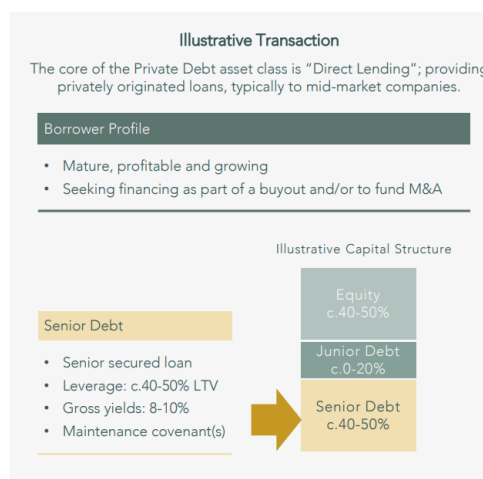
##### *Private Debt Defined*

The Private Debt asset class can encompass a wide range of investment types and strategies, though typically represents loans that are made between a lender (or a small club of lenders) and a borrower (typically a company or asset, such as real estate), without the involvement of an underwriting or syndicating bank. Whereas a bank often needs to form a club or a small syndicate in order to provide a sufficient amount of debt, most Private Debt fund managers focus on situations where they can provide the full amount of debt by themselves.

Often synonymous with Private Debt, 'Direct Lending' typically refers to a particular segment of the Private Debt ecosystem; senior secured lending to mid-market corporate borrowers. Private debt can be used in a wide spectrum of situations including acquisitions, to fund growth or refinance a business.



For illustrative purposes only.



##### *Size of the Market*

Private debt has emerged as a distinct asset class for many institutional investors in recent years, with the market in growing significantly in the aftermath of the 2008 global financial crisis. This investor demand is evident from the capital raised by Private Debt fund managers in recent years, with over \$100bn raised each year since 2015.

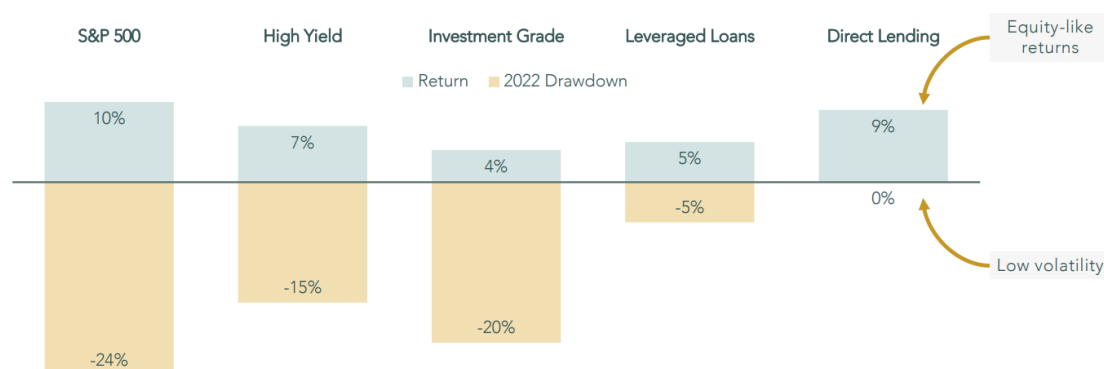
As a consequence of the growth in capital allocation for institutional investors, Direct Lending has grown to become a major source of capital to European corporates, especially in the mid-market. It is estimated that the total size of the Direct Lending market in both the US and Europe is similar in scale to the high yield bond and syndicated loan markets.

#### 4.1.2. Main characteristics

Private debt as an asset class can offer investors a number of portfolio benefits, including:

1. Attractive loss-adjusted yields relative to liquid credit
2. Downside protection and low volatility
3. Low correlation to traditional asset classes (public equity and fixed income)
4. Floating rate loans with low duration

Taken in aggregate, these characteristics have prompted many investors to rotate a portion of their liquid fixed income and credit portfolios into Private Debt in order to enhance returns (higher loss-adjusted yields) and reduce risk (lower volatility).



Notes: Analysis covers the period from 30<sup>th</sup> June 2004 to 31<sup>st</sup> December 2023. 2022 Drawdown represents the peak to trough fall for each asset type. Source: S&P500 Index, Bloomberg High Yield Index, Bloomberg Investment Grade Index, LCD Morningstar Leverage Loans Index as, Cliffwater Direct Lending Index

Investors allocating to Private Debt should also be aware of its illiquidity compared to traditional fixed income investments. However, this illiquidity has two major advantages for Investors;

1. Direct Lending compensates investors with enhanced yield due to what is referred to as the 'illiquidity premium'. This premium is often particularly attractive to long-term investors who are less concerned with liquidity risks. Research from Cliffwater estimates the illiquidity premium for direct lending at approximately 2.1%. Investors should note that there are other key factors contributing to the yield earned on direct lending transactions, such as credit risk or the financial position of a given borrower.
2. Direct Lending's illiquidity is one factor that shields it from major fluctuations in financial markets, making it less volatile compared with other asset classes. The illiquidity of direct lending is one factor that helps to contribute to its stability, along with other factors such as the position in the borrower's capital structure (typically senior secured) and the loan structure (typically with at least one maintenance covenant, not usually present in syndicated loans).

#### 4.1.3. Private Debt Market Opportunity Set

The Private Debt market is often broadly defined, including a range of strategies and sub-asset classes with a corresponding breadth of risk-return opportunities. In short, Private Debt is generally considered to include any privately negotiated loan (be it senior, second lien, mezzanine etc) to a range of borrower types (corporations, real estate, infrastructure, consumer etc). Across all of these categories, loans would typically be considered either "performing", where the borrower is meeting its obligations and expected to repay the loan, or "non-performing" where the borrower may either be, or is expected to be, in default. Private Debt can also often include specialist credit strategies such as structured credit.

The Fund will be focused primarily on performing, senior secured corporate loans (often referred to by

the name Direct Lending); either core direct lending or opportunistic lending (loans that can command a yield premium typically due to greater complexity of the borrower).

#### 4.1.4. Other potential assets in scope

As described in section 3.3 above, the Fund will be focused on senior secured direct lending to corporate borrowers in the US and Europe. The Fund may, where the Manager believes it is advantageous to the overall risk-return of the Fund, invest into other areas of the Private Debt market. This can include, though is not limited to, real estate debt, infrastructure debt, second lien/junior debt and specialty credit (e.g. trade finance, structured credit etc).

## CHAPTER 5 THE FUND, MANAGEMENT AND GOVERNANCE

### 5.1 The Fund

#### 5.1.1 General

The Fund is a fund for joint account (*fonds voor gemene rekening*, FGR) and its full name is "TPM Privium Private Debt Portfolio FGR". The Fund is organised and established under Dutch law.

The Fund is not a legal person (*rechtspersoon*), nor a partnership, commercial partnership or limited partnership (*maatschap, vennootschap onder firma* or *commanditaire vennootschap*), but is a contractual arrangement between the Manager, the Legal Owner and each of the Investors individually. The purpose of the Fund is to pool funds from Investors for collective investment in order to allow the Investors to share in the proceeds thereof, in accordance with the provisions of the Fund Agreement.

The Fund has been established by the entering into of the Fund Agreement between the Manager and the Legal Owner, in which they declare to be bound by the terms of the Fund Agreement and the subsequent admission of the first Investor(s) on the first Settlement Date.

The Fund qualifies as an investment institution (*beleggingsinstelling*) within the meaning of Article 1:1 of the Financial Supervision Act. The Fund offers limited and conditional redemption rights in accordance with the provisions of the Fund Agreement. The Fund has an open-end character. This means that the Fund is under an obligation to purchase Units against the Fund Assets at the request of an Investor, provided the conditions are met set out in Paragraph 6.4.

For Dutch tax purposes, the Fund is a "closed fund for joint account" (*besloten fonds voor gemene rekening*) and is as such not subject to Dutch corporate income tax or Dutch dividend withholding tax nor intended to be considered an entity subject to taxation on profits, income, gains or capital in any other jurisdiction.

Legal title to the Fund Assets and Fund Obligations is held by the Legal Owner. The Legal Owner has the sole statutory purpose of acting as the holder of legal title to the assets and liabilities of the Fund and to perform certain legal acts in that capacity.

#### 5.1.2 Object

The object of the Fund is to indirectly invest in a portfolio of private debt assets in order to allow the Investors to share in the proceeds of the investments, in the broadest sense of the word.

#### 5.1.3 Term

The Fund has been established for an indefinite period of time. The Fund shall in any case be dissolved and, consequently, liquidated upon the occurrence of any of the following events:

The Fund was entered into for an indefinite period of time. However, the Fund can be dissolved:

- (a) through a resolution of the Manager, (i) to the extent the Manager believes this to be in the best interests of the Investors at its sole discretion or (ii) if, in the reasonable opinion of the Manager as supported by an opinion of counsel to the Fund, the continuation of the Fund becomes unlawful;
- (b) Investors not timely having appointed a successor Manager in accordance with Clause 4.3.6 of the Fund Agreement after the (announced) resignation or removal of the existing Manager;

- (c) the lack of suitable investment opportunities;
- (d) when there is not at least one Investor;
- (e) upon notice served by the Manager on the Investors that no further subscription for Unit can be made and that all Fund Assets have been sold or realised otherwise and the proceeds arising from such Fund Assets have been distributed.

#### 5.1.4 Admission to the Fund and contribution

Investors are admitted to the Fund by obtaining Units in accordance with paragraph 6.2. Units can be obtained as specified on the Subscription Form.

Admission as an Investor is only possible:

- (a) after acceptance of the Subscription Form by means of confirmation thereof, electronic or otherwise, by the Manager; and
- (b) after payment of the consideration for the Units to be acquired has been received by the Legal Owner.

#### 5.1.5 Management and Representation

The Fund will be represented exclusively, and acts of management and disposition relating to the Fund will be carried out exclusively, by the Manager.

#### 5.1.6 Sustainability-related disclosures

##### *General*

The Fund does not promote environmental and/or social characteristics, nor does it have sustainable investments as its objective. In the context of the SFDR, the Fund is therefore neither classified as an Article 8 fund nor as an Article 9 fund.

The investments of the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

The Manager does, in accordance with the SFDR, consider sustainability risks that could have material negative impact on the value of the Fund's investments and takes those into account in the decision-making process.

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*

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 explaining 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.

#### *Monitoring of sustainability risks in the Fund*

Depending on the valuation moment and monitoring cycle of the Fund, the sustainability risk analysis is reviewed and updated where applicable by the Manager's risk department in close cooperation with the general fund management team of the Manager.

#### *Principal Adverse Impacts*

The Manager does not consider the Principal Adverse Impacts of its investment decisions on sustainability factors for the financial instruments it manages for the Fund as this does not align with the investment strategy of the Fund.

Additionally, Privium does not consider the Principal Adverse Impacts of its investment decisions on



sustainability factors for all the financial instruments it manages and does not intend to do so. As such, Privium cannot consider the PAI on an aggregated level for the whole company. The Privium Funds will not consider the PAI when making investment decisions if this does not align with its target or investment strategy.

#### 5.1.7 Risk Management

The Manager has a clear and elaborate risk management framework in place, in line with current legislation, such as the AIFM Directive. The risk management function within the Manager is performed by an independent risk manager. The Manager has a risk management committee which meets at least on a monthly basis.

The risk management framework consists of several individual components, whereby risk monitoring is being performed on an ongoing basis.

Under the AIFM Directive, the Manager is required to establish and maintain a permanent risk management function. This function should have a primary role in shaping the risk policy of each AIF, risk monitoring and risk measuring in order to ensure that the risk level complies on an ongoing basis with the AIF's risk profile.

The risk management function performs the following roles:

- Implement effective risk management policies and procedures in order to identify, measure, manage and monitor risks;
- Ensure that the risk profile of an AIF is consistent with the risk limits set for the AIF;
- Monitor compliance with risk limits; and
- Provide regular updates to senior management concerning:
  - The consistency of stated profile versus risk limits;
  - The adequacy and effectiveness of the risk management process; and
  - The current level of risk of each AIF 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 Manager has a rigid risk onboarding process. It ensures that the investment process is properly documented and the Fund itself is properly reviewed.

As described by the AIFM Directive quantitative risk limits are, where possible, constructed for various risk categories: market risk, liquidity risk, credit risk, counterparty risk and operational risk. These risk limits should be in agreement with the risk profile of the Fund.

The risk management function is fully independent from the portfolio management function of the Manager. The risk 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 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. The system produces an audit log that can be verified by the 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. Risk management 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 SS&C Eze Investment Suite and risk metrics such as value at risk, stress scenarios and portfolio liquidity are obtained through 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 Global Risk Management Framework (Annex 17) of the Privium Handbook.

On a monthly basis the risk management committee of the Manager meets to discuss the performances and risks of the Fund. Any breaches are thoroughly discussed during these meetings. Additionally, a yearly risk evaluation and product review is conducted.

#### 5.1.8 Meeting of Investors

A Meeting of Investors will be held:

- i. at such moments as is required by the law; or
- ii. where the Manager deems this to be in the interests of the Investors; or
- iii. in case Investors representing more than fifty per cent (50%) in Units request the Manager in writing to call and hold a meeting.

Notice for a meeting of Investors will be published on the Manager's website and sent to the (e-mail) addresses of the Investors at least fourteen (14) calendar days prior to the date of the meeting, thereby stipulating the venue, date, time and agenda for the meeting and, with any request of the Manager for consent or approval by the Investors, a memorandum providing background information on the matter(s) concerned.

Each Investor may cast one (1) vote for each Unit held by such Investor. The Meeting of Investors takes its resolutions by the affirmative vote of Investors representing more than fifty per cent (50%) of the Units. It should be noted that there are no specific resolutions and/or subjects that require a prior approval or prior advice from the Meeting of Investors.

## **5.2 The Manager**

The Fund will be managed by Privium Fund Management B.V. as sole external manager (*beheerder*) of the Fund. The Manager is responsible for the entire management of the Fund in accordance with the provisions of the Fund's organisational documents and applicable laws.

Privium Fund Management B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) 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 Manager is registered in the Dutch trade register (*handelsregister*) under file number 34268930. The AFM has granted the Manager a license to manage investment institutions (*beleggingsinstellingen*) within the meaning of the Financial Services Act. Consequently, the Manager is under the market conduct supervision of the AFM and prudential supervision of DNB, and under this licence is authorised to manage investment funds, which includes the Fund.

### 5.2.1 The Board of Management

The statutory management board (*bestuur*) of the Manager directly determines the policy of the Manager and, thus, the Fund as AIFM of the Fund. The management board of the Manager consists of Mr C.H.A. Heijman, Mr M. Baak and Mr R.J. van Hoorn. At the Manager Mr Heijman is ultimately responsible for compliance and risk management. Mr Baak and Mr Van Hoorn share ultimate responsibility for the investment management activities of the Funds being managed by the Manager.

### 5.2.2 Portfolio managers

Jeroen Afink and Stephan Kerkhoven have been appointed as Portfolio Managers of the Fund.

### 5.2.3 Delegation of Duties

The Manager may delegate certain financial, accounting, administrative and other services to the Administrator and one or more other external service providers. The Manager will not delegate its portfolio management function or risk management function with respect to the Fund. As detailed below, the Manager has currently engaged the Administrator to provide, subject to the overall direction of the Manager, certain financial, accounting, administrative and other services to the Fund. As at the date hereof, the Manager has not delegated any other functions to a service provider.

### 5.2.4 Duties and powers of the Manager

The Manager is charged with the following duties:

- (i) the portfolio management with respect to the Fund;
- (ii) the risk management with respect to the Fund; and
- (iii) all other fund management tasks listed in Annex I of the AIFM Directive, such as administration and marketing.

In the management, the Manager shall exclusively act in the interest of the Investors, observing due care and with due observance of the statutory requirements of expertise and integrity. The management and administration of the Fund shall be performed for the account and risk of the Investors. Benefits and/or losses resulting therefrom shall consequently be for the benefit of or be borne by the Investors, unless stated otherwise in this Prospectus or the Fund Agreement.

The Manager will take care of, among other things, the following actions:

- a) determining the investment policy of the Fund and taking investment decisions;
- b) the risk management with respect to the Fund;
- c) the receipt of Subscription Forms and the allocation of Units;
- d) the provision of information on the course of affairs at the Fund, the provision of necessary information to the auditor of the Fund and the provision of information on the Fund to third parties; and
- e) provision of information that must be provided to the AFM and/or DNB.

On the date of this Prospectus, the Manager has delegated tasks to the Administrator within the meaning of the AIFM Directive, as is further set out in paragraph 5.4. In so far as other third parties are involved in providing services to the Fund not qualifying as delegation under the AIFM Directive, those third parties and their roles are described below.

#### 5.2.5 Resignation of the Manager

The Manager may itself decide to resign to the extent it complies with Clauses 4.3.1 and/or 4.3.2 of the Fund Agreement.

The Manager shall resign as manager of the Fund on certain grounds set forth in the Fund Agreement i.e.:

- (a) upon the Manager having been granted suspension of payments (*surseance van betaling*);
- (b) upon the Manager's bankruptcy (*faillissement*);
- (c) upon the dissolution (*ontbinding*) of the Manager; and
- (d) upon the provision of at least two (2) calendar months' notice before the envisaged effective date of resignation by the AIFM to the Legal Owner, the Depositary and the Administrator.

In addition, the Manager can be removed as Manager of the Fund pursuant to resolution of Investors:

- a) Adopted with a majority representing more than fifty percent (50%) of the issued and outstanding Units in the event of actions or omissions of the Manager as referred to in Clause 4.3.4 of the Fund Agreement (i.e. removal for cause); or
- b) Adopted with a majority representing more than eighty percent (80%) of the issued and outstanding Units in all other circumstances as referred to in Clause 4.3.5 of the Fund Agreement (i.e. removal not for cause).

No resignation or removal of the Manager shall be effective before the appointment of a successor Manager in accordance with the provisions of Clause 4.3.2 or 4.3.5 (c) of the Fund Agreement has become effective. Clause 4.3.6 of the Fund Agreement determines the rights and obligations for the removed Manager. An entity can only be appointed as successor Manager in case it has obtained the relevant approvals to act as AIFM of the Fund.

#### 5.2.6 Liability of the Manager

The Manager is only liable towards the Investors for a loss suffered by them in connection with a breach of the performance of its duties and responsibilities under the Fund Documents if and to the extent that such loss is directly caused by (i) gross negligence (*grove onzorgvuldigheid*), (ii) wilful default (*opzet*), or (iii) fraud (*fraude*). To cover potential professional liability risks the Manager carries out with respect to the Fund, the Manager holds a professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered.

Subject to certain restrictions set forth in the Fund Agreement, the 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.

#### 5.2.7 Funds managed by the Manager

The Manager may and does act as fund manager for other collective investment funds. At the date of this Prospectus the Manager acts as fund manager of the following funds:

1. Strategy One Fund;
2. Windmill Trend Evolution Fund;
3. Principia Fund N.V.;

4. Privium Sustainable Impact Fund;
5. Multi Strategy Alternatives Fund;
6. FMO Privium Impact Fund;
7. Dutch Mezzanine Fund II;
8. Global Allocation Fund;
9. Westermeerwind Aandelenfonds;
10. Aescap Life Sciences;
11. Dutch Mezzanine Fund III;
12. Privium Sustainable Impact Fund Luxembourg;
13. Guardian Fund;
14. Aiconic Partners Fund;
15. Savin Multi-Strategy Arbitrage Fund;
16. Deeptech Equity NL Fund Coöperatief U.A;
17. Aescap Genetics;
18. Dutch Mezzanine Fund IV;
19. Still Equity Fund;
20. Danum Ecosystem Fund; and
21. ATKA Funds ICAV.

#### 5.2.8 Remuneration at the level of the Manager

The Manager has a careful, controlled and sustainable remuneration policy which meets all the requirements included in the AIFM Directive and the guidelines on sound remuneration policies under the AIFMD (ESMA Guidelines) and the SFDR.

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 Manager's website. At the request of an Investor the Manager will provide the remuneration policy to the Investor without any costs to the Investor. A summary of the remuneration policy of the Manager may be found below.

Remunerations at the Fund Manager may consist out of a fixed salary (this may include a payment to cover certain expenses of staff members) and a variable remuneration. The Manager may reclaim all or part of the variable remuneration paid if (i) this payment was made on the basis of incorrect information, (ii) in the event of fraud by the employee, (iii) in the event of serious improper behaviour by the employee or serious negligence in the performance of his tasks, or (iv) in the event of behaviour that has resulted in considerable losses for the Fund or the Manager.

### **5.3 Legal Owner**

#### 5.3.1 General

The legal entity entrusted with holding the legal ownership of the Fund Assets and Fund Obligations is Stichting TPM Privium Private Debt Portfolio, a foundation under Dutch law, with its registered office in Amsterdam, the Netherlands, at the address: Hoogoorddreef 15, 1101BA, Amsterdam, the Netherlands and registered in the Commercial Register of the Chamber of Commerce under number: 90306902.

#### 5.3.2 Liability of the Legal Owner

The Legal Owner is liable to the Fund and its Investors for any damage they suffered insofar as the damage is the result of gross negligence or intentional failure regarding the fulfillment of its obligations.

#### 5.3.3 Object under the articles

The sole objective of the Legal Owner is to hold legal ownership of the assets of the Fund. The key responsibility of the Legal Owner is (i) to hold, for the account and risk of the Fund and the Investors in the Fund, legal title to all assets and rights of the Fund, (ii) to, as debtor, assume obligations and liabilities of the Fund, and (iii) to be the contracting entity in respect of all agreements entered into on behalf of the Fund.

The Legal Owner will do nothing on its own initiative. All activities of the Legal Owner will be performed on the instructions of the Manager. The Legal Owner acts solely in the interests of the Investors.

#### 5.3.4 Annual reports, articles of association

The financial year of the Legal Owner is the calendar year. The annual report and annual accounts of the Legal Owner will be produced and then deposited at the Chamber of Commerce within six (6) months after the close of the financial year. The articles of association of the Legal Owner are deposited at its offices and copies will be sent on request to Investors, free of charge. The same applies for the most recent annual report of the Legal Owner.

#### 5.3.5 Management board

The board of the Legal Owner consists of IQ EQ Custody B.V. IQ EQ Custody B.V. forms part of the IQ-EQ Group, a global corporate and fund administration group.

Subject to the terms of the agreement entered into by the Manager with IQ EQ Custody B.V. and the articles of association of the Legal Owner, the Manager is entitled to replace the board of the Legal Owner at its sole discretion. Because the Legal Owner is not in any way affiliated to the Manager, the independency of the Legal Owner vis-à-vis the Manager is ensured.

### **5.4 The Administrator**

The Manager has engaged IQ EQ Financial Services B.V. as the Administrator of the Fund to provide, subject to the overall direction of the AIFM, certain financial, accounting, administrative and other services in respect of the Fund. The relationship between the Manager and the Administrator qualifies as delegation under the AIFM Directive and is notified as such to the AFM.

Pursuant to an administration agreement between the Manager and the Administrator, the Administrator will be responsible, inter alia, for the following matters under the general supervision of the Manager:

- a. the general administration of the Fund Assets and Fund Obligations;
- b. the calculation of the Net Asset Value and the Net Asset Value per Unit;
- c. preparing the Annual Accounts and Semi-Annual Accounts;
- d. the administrative processing of subscriptions and redemptions of Units;
- e. performing customer due diligence on (prospective) Investors;
- f. maintaining the register of Investors; and
- g. the provision of information to the Manager to enable the Manager to comply with financial and regulatory reporting obligations.

## **5.5 The Depositary**

### **5.5.1 General**

The Fund and the Manager have appointed IQ EQ Depositary B.V. (the Depositary) as AIFMD depositary of the Fund and in this context has entered into the Depositary agreement, which sets out the duties and responsibilities of the Depositary.

The Depositary is licensed by the AFM to conduct the business of a depositary at alternative investment funds (*beleggingsinstellingen*) such as the Fund.

Because the Depositary is in no way affiliated with the Manager, the independence of the Depositary from the Manager is guaranteed.

### **5.5.2 Duties of the Depositary**

The Depositary Agreement specifies the performance of the Depositary's duties in more detail. In outline, this Depositary Agreement among others contains the following depositary duties:

- properly checking the Fund's cash flows, in particular that all payments made by and on behalf of the Investor upon subscription to Units have been received into (one of the) bank accounts of the Legal Owner for the benefit of the Fund;
- ownership verification of the Fund Assets and recordkeeping in this respect;
- ensuring that the issue, sale and trade of Units takes place in accordance with the Fund Agreement and Dutch law;
- ensuring that the value of Fund Assets and the Units is calculated in accordance with the Fund Agreement, Dutch law and the AIFM Directive;
- ascertaining that in transactions involving the Fund Assets the consideration is transferred to the Fund within the usual time limits;
- ascertaining that the proceeds of the Fund are allocated in accordance with the Fund Agreement and Dutch law.

The Depositary has not delegated any of the duties for which it is responsible under the AIFM Directive.

A copy of the Depositary Agreement and an Extract of the Chamber of Commerce of the Depositary shall be provided by the Manager upon request at cost price.

### **5.5.3 Liability of the Depositary**

Under the AIFM Directive, the Depositary is liable to the Fund for the loss of assets held in custody by the Depositary or by a third party to whom the custody has been transferred (delegation). The Depositary will also be liable to the Fund for any other loss suffered by the Fund as a result of the Depositary's wilful or negligent failure to properly fulfil its obligations under the AIFM Directive.

## **5.6 Conflicts of Interest**

The Manager maintains a Conflicts of Interests policy (including a conflicts of interests register). It is the Manager's policy to avoid any conflicts of interest as much as possible. Where a conflict is inevitable (i.e. cannot be prevented) which may have a negative impact on the Fund or the Investors, the Manager uses its best efforts to mitigate and manage the conflict in the best possible way whereby the interests of the Fund and the Investors prevail. A conflict which cannot be mitigated fully to an extent that, with

reasonable confidence, the Manager can ensure that there will be no risks of damage to Investors, will be disclosed to the Investors. In this respect, the Manager notes the following.

- The Portfolio Managers of the Fund are also involved in the management of Troviq Investment Management B.V. The Manager does not see this as a potential conflict of interests. In case Troviq Investment Management would decide to launch an AIF with an investment strategy which may conflict with the investment strategy of the Fund, for example if the AIF and the Fund would have similar investments in scope, the Manager will make sure to implement measures to manage those (potential) conflicts of interests, such as preparing an allocation policy.
- The Administrator, the Depositary and the sole board member of the Legal Owner (i.e. IQ EQ Custody B.V.), are part of the IQ-EQ Group. These entities are standalone entities with their own employees and management team. More specifically, the entities have separated themselves functionally, hierarchically and physically within the IQ-EQ Group and pursue an active policy to mitigate any potential conflicts of interests as much as possible.

## **CHAPTER 6 THE UNITS, ISSUANCE AND REDEMPTION**

### **6.1. General**

#### 6.1.1 Investor suitability

The Fund focuses on an Investor base consisting of both Non-Professional Investors and Professional Investors like pension funds and collective investment funds. Potential Investors outside the Netherlands are urged to review the selling restrictions set out in paragraph 1.4.3 and 1.4.4.

#### 6.1.2 Minimum subscription

Admission to the Fund is possible if an Investor acquires Units in the Fund in consideration of a total value of at least EUR 250,000. The Manager may accept investments from clients of wealth managers, private banks, family offices and other type of investors, up to the discretion of the Manager. For those Investors, investments below EUR 100,000 may be accepted as well per sole discretion of the Manager.

### **6.2. Units and Classes**

#### 6.2.1 Units

An Investor becomes an Investor in the Fund by acquiring one or more Units. Fractions of Units may be issued, up to four (4) decimals. Units are registered in the name of the Investors. Each Unit gives the Investor a *pro rata* share in the Fund. The Units of the Fund are and will not be listed on a regulated market.

#### 6.2.2 Classes

The Fund offers four (7) different Classes. Currently the Fund is offering the following Unit Classes

- 1: Class Charity: means the class of Units indicated herein as Class C
- 2: Class Institutional: means the class of Units indicated herein as Class I
- 3: Class Institutional- Distributing: means the class of Units indicated herein as Class I-D
- 4: Class Regular: means the class of Units indicated herein as Class R
- 5: Class Regular- Distributing: means the class of Units indicated herein as Class R-D



6: Class Seeding: means the class of Units indicated herein as Class S  
 7: Class Zero: means the class of Units indicated herein as Class Z

The Manager may create new Classes and differentiate between such Classes at its sole discretion. The Manager will formulate quantitative and/or qualitative criteria in order for (potential) Investors to be eligible for such new Class.

### 6.2.3 Class Details

Each Class comes with certain criteria in order for an Investor to be eligible to invest in such Class. These are set out below:

<i>Class</i>	<i>Eligibility Criteria</i>
Class Charity	The Investor must qualify as a Charity Investor, which means it must qualify as a public benefit institution ( <i>algemeen nut beogende instelling</i> ).
Class Institutional	The Investor must qualify as an Institutional Investor and invest at least EUR 10 million in the Fund. This also includes investments from clients of intermediate parties such as wealth managers, family offices or private banks, to the extent the clients of such intermediate party jointly invest EUR 10 million.
Class Institutional- Distributing	<p>The Investor must qualify as an Institutional Investor and invest at least EUR 10 million in the Fund. This also includes investments from clients of intermediate parties such as wealth managers, family offices or private banks, to the extent the clients of such intermediate party jointly invest EUR 10 million.</p> <p>Subject to sufficient cash being available, it is the intention of the AIFM to annually distribute 5% of the Net Asset Value of Class I-D to Investors of Class I-D. This will take place through semi-annual distributions of each 2.5%. These distributions will take place in July and January of every year. However, the AIFM may, at its sole discretion and at any time, decide not to make any distributions or distribute a lower percentage. The AIFM has the discretion to limit the subscriptions into Class I-D at any time.</p>
Class Regular	This Class is for any Investor who is not a Charity Investor, Institutional Investor, Zero Investor or Seed Investor.
Class Regular- Distributing	This Class is for any Investor who is not a Charity Investor, Institutional Investor, Zero Investor or

	<p>Seed Investor.</p> <p>Subject to sufficient cash being available, it is the intention of the AIFM to annually distribute 5% of the Net Asset Value of Class R-D to Investors of Class R-D. This will take place through semi-annual distributions of each 2.5%. These distributions will take place in July and January of every year. However, the AIFM may, at its sole discretion and at any time, decide not to make any distributions or distribute a lower percentage. The AIFM has the discretion to limit the subscriptions into Class I-D at any time.</p>
Class Seeding	<p>The Investor must qualify as a Seed Investor, which means it must invest within 12 months after the inception date of the Fund up to a maximum total investment amount of EUR 100 million. The Manager has discretion to deviate from the above at its sole discretion, provided that Investors who are in similar circumstances are treated similarly at all times. July 1, 2024 was the final Subscription Date for this Class.</p>
Class Zero	<p>Class Z has been created to make sure that funds managed by the AIFM can invest in this Fund without the Manager making money on both sides. The Manager has discretion to accept other fund structures for this unit class as well at its sole discretion, provided that Investors who are in similar circumstances are treated similarly at all times. Additionally, Class Z has been created to accept investors (or their investment vehicle / holding company controlled by them) who are associated with the Manager and involved in the management of the Fund (e.g. the portfolio management team and any advisor).</p>

Each Class has its own management fee (see paragraph 8.3.3) and a separate Net Asset Value per Unit (the Net Asset Value per Class) because of the different management fees per Class.

### **6.3. Subscriptions**

#### **6.3.1. Procedure**

Applications for Units of a certain Class must be made by submitting a duly signed and completed Subscription Form to the Administrator. A (potential) Investor must take into account the Subscription Notice Period in order to be eligible for the issuance of Units of a certain Class on a certain Subscription Date. This means that a signed Subscription Form will need to be received by the Administrator at least 35 calendar days prior to the relevant Subscription Date.

The inception date and first Subscription Date of the Fund does not have to be an official Subscription

Date as defined in this Prospectus and the Fund Agreement, but may be any Business Day up to discretion of the Manager.

The Subscription Form can be found in Annex II. The Investor may be either a natural person or a legal entity.

Payment of the Total Subscription Price (see paragraph 6.3.2 for the manner of calculation thereof) will need to be received on the bank account of the Legal Owner at least 25 calendar days prior to the relevant Subscription Date.

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).

#### 6.3.2. Subscription Price

The Subscription Price of a Unit of a particular Class is equal to the Net Asset Value per Class as at the latest Valuation Date prior to the relevant Subscription Date. At the start of the Fund, the Subscription Price of a Unit is EUR 100. The Total Subscription Price for a single Investor is the applicable Subscription Price multiplied by the number of Units to be issued for that single Investor. Fractions of Units may be issued, up to four (4) decimals.

The Administrator sends Investors a confirmation of the number of Units of a particular Class issued within five (5) Business Days after determination of the Net Asset Value.

#### 6.3.3. Rejection of subscription

The Fund Manager may at all times reject a subscription, without stating his reasons. The Manager will in any case refuse the allocation of Units on the following grounds:

- a. if payment of the Total Subscription Price for the Units has not been made in time or in full or originates from an unauthorised banking institution or from a bank account not identifiable to the Investor;
- b. if the Manager is of the opinion that the issue is contrary to any applicable law;
- c. if the identification of the prospective Investor is insufficient and/or incomplete in the Manager's opinion (the Dutch AML Act and the applicable Sanction Regulations are the starting point in this respect);
- d. the allocation will result in over-subscriptions.

#### 6.3.4. 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 ("CDD requirements"). The procedure used by the Administrator is stated in the Subscription Form and is compliant with the Dutch AML Act and Sanction Regulations.

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 Manager may, in its absolute discretion, refuse to allot the Units applied for in which event the subscription price 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 amount were originally debited.

In the event that changes in CDD requirements occur either in policy or in legislation after an Investor have been allotted with Units, Investors will be obliged to provide additional CDD 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 CDD documentation may be forcibly redeemed from the Fund in accordance with the mandatory redemption provisions as set forth in this Prospectus.

#### **6.4. Redemption of Units**

##### 6.4.1. General

The Fund in principle offers Investors to redeem their Units and the Manager has procedures in place to allow for redemption of Units upon request. However, it should be noted that these redemption rights are limited and subject to specific conditions, each as explained in more detail below. Units in the Fund are therefore not a liquid investment and Investors should take into account that there may be circumstances where they cannot redeem their Units in the Fund. It should furthermore be noted that it is not possible to transfer Units to a third party.

##### 6.4.2. Redemption requests

Every calendar quarter, the Fund in principle redeems Units of a particular Class from Investors upon request and subject to the conditions set out below. Investors who wish to redeem Units of a particular Class in the Fund must submit a Redemption Form and take into account the Redemption Notice Period in order to be eligible for a redemption of Units. This means that a signed Redemption Form must be submitted with and received by the Administrator at least thirty-five 35 calendar days prior to a Redemption date.

Any redemption requests not received in time and/or not compliant with the applicable procedure, will be held off until the next Redemption Date. The Investor may be requested to supplement the request in order to comply with the procedural requirements.

##### 6.4.3. Redemption Price

The Redemption Price of a Unit of a particular Class is equal to the Net Asset Value per Class as at the last Valuation Date prior to the relevant Redemption Date. The Total Redemption Price is equal to the number of Units of a particular Class to be redeemed multiplied by the applicable Redemption Price for that Class.

The Total Redemption Price will be paid to the Investor on the applicable Settlement Date. The Fund and/or the Manager, Administrator or Legal Owner acting on its behalf, may refuse to pay the Total Redemption Price pursuant to applicable Sanction Regulations.

##### 6.4.4. Redemption limitation

The Manager reserves the right to limit the number of Units to be redeemed on any Redemption Date to such number of Units of which the aggregate value, equals no more than one point twenty-five per cent. (1.25%) of the average Net Asset Value calculated on the Redemption Date.

In this case, the number of Units to be redeemed per Investor will be pro rata to the total number of Units requested to be redeemed as per the relevant Redemption Date. Any Units requested to be redeemed as per such Redemption Date that have not been redeemed as a result of such scale down are deemed to be offered for redemption on a Redemption Date falling in a following calendar quarter on a pro rata basis alongside subsequent redemption requests (not including compulsory redemptions) and shall be subject to the same limitations.

To accommodate for redemptions the Fund will maintain a minimum of 2.5% of the Net Asset Value of the Fund in cash, cash equivalents (such as money market funds) and proceeds from confirmed pending redemptions at the Underlying Funds to be settled prior to the next Redemption Date.

The Manager applies a best efforts approach with respect to the acceptance of redemption requests in excess of the limitation discussed herein. The Manager refers to paragraph 3.2.3 for an overview of the expected liquidity of the Fund and the Fund Assets and the various tools and measures it has in place to steer the level of liquidity of the Fund.

#### 6.4.5. Suspension of redemption

The Manager may further limit the redemption of Units, i.e. to less than one point twenty-five per cent. (1.25%) of the Net Asset Value per calendar quarter, or suspend the redemption of Units if:

- (a) the determination of the Net Asset Value has been suspended in accordance with Clause 13.1.5 of the Fund Agreement;
- (b) the transfer of funds realised from the sale of Fund Assets cannot, in the sole opinion of the Manager, be effected at normal rates of exchange;
- (c) in the sole opinion of the Manager the sale of Fund Assets cannot be realised at prices reflecting their fair value within the period of time available to the Manager to act in the best interests of both the redeeming and remaining Investors;
- (d) the sale of Fund Assets is otherwise restricted or suspended;
- (e) 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 Manager, not be practical or would negatively affect the rights of other Investors;
- (f) the Investor did not act in compliance with applicable legislation or this Agreement; or
- (g) for whatever reason, the valuation of Fund Assets or Fund Obligations to be sold cannot be promptly or accurately ascertained.

If the Manager suspends the repurchase or redemption of the Units, it shall inform the AFM of such suspension without delay pursuant to applicable financial regulatory laws.

#### 6.4.6. Mandatory redemption

The Manager is entitled to redeem all (but not part) of the Units of any Investor if:

- (a) the Investor fails to timely furnish the Manager with the information or confirmations as have been requested for by the Manager to comply with tax or regulatory requirements;
- (b) if the Investor 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;
- (c) in the reasonable opinion of the Manager, as confirmed by an opinion of counsel to the Fund, the continuation of such Investor's participation in the Fund would have a significant adverse effect on the existing regulatory and/or tax status, under any applicable jurisdiction, of the

- Fund, the Manager, any of the other Investors and/or the Legal Owner;
- (d) in the reasonable opinion of the Manager, the continuation of such Investor's participation in the Fund would result in (continuation of) a breach of the Fund's policy or obligations in respect of the prevention of money laundering or financing of terrorism and/or sanctions regulations; and/or
  - (e) in the reasonable opinion of the Manager, termination of the Investor's participation in the Fund is required to protect the Fund and/or the Manager against (continued) disclosure of confidential information within the meaning of the Fund Agreement by the Investor or its Affiliates (as defined in the Fund Agreement) if (i) the disclosure cannot be avoided otherwise in a for all persons involved reasonably satisfactory way, and (ii) in the reasonable opinion of the Manager the disclosure is of such nature that it materially adversely affects the Fund and/or the Manager.

### **6.5. Transfer of Units**

Units cannot be transferred or assigned except to the Fund by way of redemption as provided in paragraph 6.4 above,.

Units cannot be made subject to any pledge, mortgage, usufruct, charge, lien, retention or other encumbrance (whether or not a *beperkt recht*) of any nature whatsoever.

### **6.6. Fair and equal treatment of Investors**

The Manager and the Fund will treat Investors in equal circumstances equally and ensures that each Investor is treated fairly. Entitlement to a specific Class, which may result in a lower management fee payable to the Fund, is only possible based on quantitative and/or qualitative eligibility criteria, in which case the equal treatment of Investors who are in equal circumstances is safeguarded. The equal treatment of Investors is further guaranteed by the Fund Agreement and the legal and supervisory framework within which the Manager, on behalf of the Fund carries out its activities, and which apply equally to the Investors in the Fund. The Manager will monitor compliance with the rules that safeguard equal treatment of Investors.

### **6.7. Register of Investors**

The Administrator, on behalf of the Manager, will ensure that a register is kept in which the names and addresses of the Investors, as well as the number of Units held by them and their bank account details, are recorded. Each Investor is responsible for the correct, timely and complete provision of their details and of changes thereto to the Administrator. If this is not complied with, any incorrect or incomplete entry of details in the register will be at the risk and expense of the Investor in question.

### **6.8. The offer of the Units under the Financial Supervision Act**

#### **6.8.1. Alternative investment fund within the meaning of the AIFM Directive**

The Fund qualifies as an investment institution (*beleggingsinstelling*) within the meaning of Article 1:1 of the Financial Supervision Act. The Fund is managed by the Manager, who acts as the alternative investment fund manager within the meaning of the AIFM Directive. The Manager has its seat in the Netherlands and is authorised and regulated by the AFM in accordance with Article 2:65 of the Financial Supervision Act as an alternative investment fund manager within the meaning of the AIFM Directive. Consequently, the Manager is under the market conduct supervision of the AFM and prudential supervision of DNB, and under this licence is authorised to manage investment funds, which includes

the Fund.

In the Netherlands, the Units can be acquired by both Professional and Non-Professional Investors. Please also see paragraph (1.4.3) for further information regarding acceptances of Investors resident or established outside the Netherlands.

#### 6.8.2. No obligation to publish a prospectus based on the Prospectus Regulation

In connection with the respective offer and issue of the Units, no prospectus is being made generally available that is subject to approval by the AFM as referred to in Article 3(1) of the Prospectus Regulation. This is because the Fund qualifies as an open-ended Fund for purposes of the Prospectus Regulation.

#### 6.8.3. Key Information Document (KID)

For this product a Key Information Document has been produced in accordance with the PRIIPs Regulation with information about the Fund, the costs and risks. Please ask for it and read it before investing in the Fund. The document is available at: [www.priviumfund.com](http://www.priviumfund.com).

#### 6.8.4. Complaints procedure

An Investor can make complaints on the Fund (which includes the KID referred to above), the Manager or any service provider to the Fund in writing (which includes by e-mail) with the Board of Management of the Manager. The Manager will confirm receipt of a complaint within two weeks. At the same time, the Manager will indicate in which manner the complaint will be dealt with.

#### 6.8.5. Processing of personal data

By becoming and being an Investor in the Fund, the Manager will receive and process personal data in respect of the Investor. The Manager is required by law to process such data with a view to preventing money laundering and terrorist financing, as is further stipulated in the Dutch AML Act. Please see the Subscription Form for further information.

### **6.9. Valuation**

The Manager shall value the Fund Assets and Fund Obligations in accordance with Dutch GAAP and, where more specific, certain valuation methods set forth in the Fund Agreement.

The units in Underlying Funds, which form the vast majority of Fund Assets, shall be valued on the basis of the latest available valuation of the Underlying Funds provided by the administrators and/or (fund) managers of the relevant Underlying Funds, as further set forth in Clause 13.1 of the Fund Agreement. The valuation methods for all possible types of Fund Assets, including limitations and restrictions in connection therewith, is set out in Clause 13.1 of the Fund Agreement.

To ensure valuations received from administrators and/or (fund) managers of the Underlying Funds are appropriate, valuations are reviewed by the Manager (or the Administrator), based on the previous valuation received and other relevant information. Valuations that deviate materially from the previous valuation are further analysed and if needed discussed with the manager or administrator of the relevant Underlying Fund.

### **6.10. The Net Asset Value**

#### 6.10.1. Calculation of the Net Asset Value

The Manager has delegated the calculation of the Net Asset Value to the Administrator. The Net Asset Value is calculated for each Valuation Date, being the last Business Day of the quarter, by the Administrator. The Net Asset Value is calculated by deducting the Fund Obligations from the Fund Assets. The value of the Fund Assets and the Fund Obligations is determined in accordance with paragraph 6.9 above.

#### 6.10.2. Calculation of the Net Asset Value per Unit

The Net Asset Value of a Unit is calculated by dividing the Net Asset Value per Class by the number of outstanding Units in issue within such Class at that time.

#### 6.10.3. Publication on Website

Each time the Fund issues and/or redeems Units in the Fund, the Manager will publish the Net Asset Value, the Net Asset Value per Class and the Net Asset Value per Unit on the Website without delay, stipulating the moment the calculations were made.

#### 6.10.4. Suspension of the calculation of the Net Asset Value

The Manager may suspend the determination of the Net Asset Value, the Net Asset Valuer per Class and the Net Asset Value per Unit:

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

A decision to suspend the calculation of the Net Asset Value, the Net Asset Value per Class and/or the Net Asset Value per Unit will be published on the Website without delay. When the Manager is unable to determine the Net Asset Value, the Net Asset Valuer per Class and/or the Net Asset Value per Unit, the Investors will be informed hereof. The Manager has established a valuation committee. The valuation committee is responsible for valuations and issues regarding valuations.

#### 6.10.5. Errors in the calculation of the Net Asset Value

In case of errors in the calculation of the Net Asset Values referred to above, the 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 applicable Net Asset Value. In case of any errors in the calculation of a Net Asset Value, the Manager will compensate Investors who have redeemed and/or subscribed to the Fund (i.e. those who were Investors at the time) for the actual losses incurred if:

- a) the mistake was made by the Manager or the Administrator; and
- b) the difference between the assumed and the correct Net Asset Value is greater than 0.5%;



- and
- c) the disadvantage to the Investor amounts to at least €250; and
- d) the mistake dates from no longer than three months before it was discovered.

If the Fund has (unjustifiably) profited from this situation, the Manager may take recourse against the Fund for amounts paid by it to the Investors, up to the amount of such profit. Compensation may be provided in cash or in Units.

#### **6.11. Amendments of applicable terms**

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

The Manager shall inform the Investors of a proposed amendment of the Fund Agreement or the Prospectus on the Manager's Website. The Manager shall publish both the proposed amendments and an explanatory note in respect of the envisaged amendment. After implementation of the amendment, the Manager shall also publish the amendment and an explanatory note on the Manager's website to the extent such amendment deviates from the proposed amendment.

An amendment of the Fund Agreement and/or this Prospectus causing a reduction in the Investors' rights or security, imposing costs on the Investors or causing a change to the investment policy, strategy or restrictions of the Fund does not become effective for the Investors until one (1) month after the date of publication of the proposed amendment. During this period of one (1) month the Investors have the right to redeem of their Units under the ordinary conditions set forth in the Fund Agreement. To the extent the period between publication of the proposed amendments and the earliest Redemption Date is longer than one (1) month, the amendments only become applicable as of the day after that Redemption Date, allowing Investors to redeem on that upcoming Redemption Date.

#### **6.12. Applicable law and choice of forum**

The Fund Agreement and this Prospectus are governed exclusively by Dutch law.

Any disputes that might arise further to or result from the Fund Agreement or this Prospectus will be resolved by the competent court in Amsterdam. Dutch law contains legal instruments providing for the recognition and enforcement of judgments.

## **CHAPTER 7      RISK FACTORS**

### **7.1.      General**

Those considering subscribing for the Units are advised to familiarise themselves with the entire Prospectus. Primarily, the risk factors indicated in this Chapter 7 must be carefully considered before making any decision on a subscription and purchase of the Units. Every investor is advised to obtain personal financial, legal and tax advice before making any investment decision.

Investments always involve risks. Investors must take the fact into account that the value of their investment could be lost, in full or in part. Unexpected developments can always occur that have a negative impact on the return development. This also applies to investments in the Units offered under this Prospectus.

The risk factors indicated in this Chapter are circumstances that could occur. The Manager cannot make any statement regarding the degree of probability of these circumstances actually materialising. The occurrence of one or more of these risks may have a negative impact on the Fund's financial position and thus the value of the Units. In the worst-case scenario, investors may even lose all or part of their contribution.

The continuity of the Fund is dependent on the manner in which the risks mentioned are handled. The summary of risk factors given in this Chapter is not exhaustive. Other factors that are unknown at this time could still have a negative impact on the financial position of the Fund and thus the value of the Units in the future.

The risks mentioned in this Chapter can be divided into the following categories:

- risks attached to the Fund and to the market on which it is active (Paragraph 7.2);
- General Risks Associated with Investments in Underlying Funds (Paragraph 7.3);
- risks attached to the Units (Paragraph 7.4); and
- other risks (Paragraph 7.5).

Paragraph 7.5 lists the factors that are essential to make a good assessment of the risks associated with an investment in the Fund.

### **7.2.      Risks attached to the Fund and to the market on which it is active**

#### **Market risk**

Markets may rise and fall and the prices of financial instruments, loans and loan participations, and other assets on the financial markets in general, and more specifically the prices of assets of the nature and type the Fund may indirectly invest in, can rise and fall. As a consequence, the value of the investments in the Underlying Funds may rise and fall simultaneously. A careful selection and spread of investments by the fund manager of the underlying funds does not provide any guarantee of positive results. There may be various reasons why markets fall, like increasing interest rates, recessions caused by a change in the economic business cycle or a pandemic outbreak.

#### **Return risk for Investors**

This concerns the risk of a reduced return on the capital invested in the Fund by the Investor, mainly due to fluctuations in the value of the Fund Assets and/or fluctuations in the Net Proceeds distributed by the Underlying Funds. The return on investments made by the Fund, over the period from the time

of purchase to the time of sale, is only definitively established at the time the investment in question is sold or the Underlying Fund, is liquidated and the Net Proceeds are paid in full. Due to a multitude of circumstances, e.g. the manifestation of certain market risks (see the previous risk factor), the Fund's returns may not develop as well as predicted beforehand. Therefore, there is no guarantee whatsoever, nor are any guarantees provided by third parties, that the investment and/or return targets will be achieved.

### **Counterparty risk**

The Fund makes investments in Underlying Funds. The Net Proceeds fully consist of dividend payments, profits, payments following liquidation of the Underlying Funds, etc., each time made by the Underlying Funds. The Fund therefore has a counterparty risk with respect to the Underlying Funds, namely the risk of the inability or refusal of payment by the Underlying Funds when payments are due. The Manager believes this risk, apart from a return risk and redemption risks, each as discussed separately, to be limited, given that (fund) managers managing the Underlying Funds, are bound by the fund documentation in relation to such Underlying Funds and must act in accordance with the mandate given to it pursuant thereto, both in terms of investment strategy to be applied and making payments when these are due.

### **Limited liquidity risk**

The Fund makes investments in Underlying Funds with limited liquidity. , The Underlying Funds may offer redemption options, subject to conditions as specified in the fund documentation of the Underlying Fund. The Underlying Funds itself can make further investments in underlying investment vehicles. These underlying investment vehicles may be structured in various ways and qualify as open-end funds, thus offering certain redemption options, or may qualify as closed-end funds, thus not offering redemption options, which make them illiquid investments. The same holds true for other Underlying Funds, which may be structured in various ways, such as through managed accounts, co-investment vehicles or collective investment funds.

While the indirect investments in Private Debt instruments themselves may offer a certain level of liquidity, which includes interest payments, and may be liquidated on a relatively short notice and while the Underlying Funds are expected to be able to make distributions to the Fund after a certain period has lapsed, it may on the other hand be more difficult and/or take longer time to sell the actual Fund Assets, consisting of an interest in the Underlying Funds. The manager of such Underlying Fund may also find it more difficult to sell the assets of such Underlying Fund, potentially consisting of a variety of investments, including collective investment funds, which would subsequently have an impact on its ability to offer liquidity for the Fund.

In practice it may mean that the Fund may not be in a position to purchase or sell Fund Assets for their expected value and deemed to be the fair value at the date of deciding to liquidate/sell those positions. It also means that the Manager may have limited options to respond to market developments. This may have a negative effect on the Net Asset Value of a Unit.

### **Investments in non-listed assets**

The Fund makes investments in non-listed assets, namely in Underlying Funds. The Underlying Funds subsequently also make investments in non-listed assets. This means that there is no trading market available for the Fund Assets and any underlying assets, as a result of which it may be more difficult to liquidate the assets and/or determine a price for the sale thereof. It may be more difficult to value the Fund Assets and the underlying assets. Moreover, it may not be possible or more difficult to actually

liquidate the Fund Assets and/or underlying assets. This may have an adverse impact on the Net Asset Value per Unit.

It may also be difficult to obtain full and accurate information regarding the Fund Assets and underlying assets, since these type of assets are not subject to the type of disclosure and investor protection rules that apply to companies of listed securities. The managers of Underlying Funds are in principle bound by disclosure and investor protection requirements towards the investors in the Underlying Fund they manage pursuant to applicable financial regulatory laws and the respective fund documentation.

### **Reliance on the Manager and Portfolio Managers**

Decisions with respect to the day-to-day management of the Fund will be made by the Manager, which includes the performance of the "risk management" and "portfolio management" functions of the Fund as well as valuation. The Portfolio Managers are specifically involved in relation to making the investment decisions on behalf of the Fund and in accordance with the investment policy, including investment restrictions and investment criteria. The success of the Fund will depend to a significant extent on the decisions of the Manager including the Portfolio Managers. There is a risk that the Portfolio Managers are no longer involved with the Manager and the Fund and that the Manager is not able to find appropriate replacements, which could have a material adverse effect on the performance of the Fund and on the Fund's ability to realise its investment objective. There can be no assurance that any member of management will continue to be affiliated with the Fund throughout its life.

### **Reliance on other fund managers**

The Fund Assets consist of investments in Underlying Funds,. The Underlying Funds subsequently invest their assets in variety of underlying assets, which may also include collective investment funds or managed accounts, who subsequently invest in Private Debt Assets. Consequently, the Fund is, in terms of performance, dependent on the investment strategy as applied by managers of the Underlying Funds. While the Manager has due diligence measures in place to assess the performance of the Underlying Funds and its ability to identify solid investment opportunities, including investment vehicles managed by reputable (fund) managers, failure to properly execute the investment strategy by the (fund) managers, may have a negative impact on the performance of the Fund. This would negatively impact the Net Asset Value per Unit.

### **Currency risk**

The Units are Euro-denominated and will be issued and redeemed in this currency. However, part of the Fund may be invested in securities and other instruments which are denominated in currencies other than the Euro. Accordingly, the value of such assets may be affected favourably or unfavourably by exchange rate fluctuations. In addition, potential Investors whose assets and liabilities are predominantly denominated in another currency than the Euro should take into account the possibility of foreign exchange losses arising from fluctuations in the exchange rate between the Euro and their home currency. The Fund may deliberately take on currency risk as a part of its investment strategy.

### **Risks of a general economic and political nature**

Investments made by the Fund are subject to general economic risks, for instance, reduced economic activity, rising interest rates, inflation and rising prices of commodities. The value of the Fund can also be influenced by political developments, including risks in respect of the stability and legitimacy of political institutions, new statutory provisions or legislation, orderly obedience of political leaders, transparency in economic decision-making, national security and geo-political risks, and wars and other

global trends and events. These risks could have a negative impact on the financial position of the Fund.

### **Risk of rising interest rates**

The Fund has indirect exposure to private debt, such as loans. Changes in interest rates have an impact on the value of the private debt instruments and can therefore both directly and indirectly affect the Net Asset Value per Unit. The value of a private debt instrument may decrease if the market interest rate increases, while the ability of borrowers to repay the loans under a private debt instrument might be affected by changes in interest rates.

### **Inflation risk**

The relative value of Units may decrease as a result of inflation. The Fund may not specifically hedge inflation risk or take other measures to mitigate this specific risk.

### **Risks inherent to the use of derivatives**

The Fund may make use of derivatives with the purpose of hedging foreign exchange risk and within the limits set out in the investment restrictions (see paragraph 3.3.2). Appropriate hedges may not at all times be available to the Fund to cover the risks posed by derivative transactions which it enters into. Therefore, the Fund may not be able to limit losses incurred in those transactions or may only be able to close out a position at significant costs to the Fund.

### **Sustainability risks**

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.

### **Delegation risk**

The risk of delegating activities is that a delegated party may not comply with its obligations, notwithstanding existing agreements. The Manager and the delegates have implemented measures to mitigate this risk as much as possible.

### **Systemic risk**

Certain events in the world or certain activities from one or more important parties in the financial markets can lead to a disturbance in the normal functioning of the financial markets. As a result of this, substantial losses may arise, caused by liquidity and counterparty risks following from such a disturbance.

### **Concentration risk**

The Fund may have significant exposure to a limited number of investments which, in turn, may have significant exposure to certain risk factors or concentrated performance drivers. The value of the Fund may display a high sensitivity to adverse developments in particular investments or asset classes.

### **Cyber security risk**

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

### **Fund borrowing**

The Fund can attract short term loans within the limits set out in the investment restrictions (paragraph 3.3.2). Repayment obligations to funding parties may be secured upon the Fund Assets. This means that funding parties will be preferred creditors of the Fund. There can also be no assurance that the Fund will be able to obtain debt financing up to the amount and on the terms as it intends and any such impediment may negatively impact the return of the Fund.

## **7.2. General Risks Associated with Investments in Underlying Funds**

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

### **Capital Market Developments**

The performance of the investment of the Underlying Funds partly depends on the developments in the capital markets. This may in impact the returns available for the relevant Underlying Fund.

### **Non-listed Securities**

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

## **7.2. Risks Attached to the Units**

### **Redemption risk**

The Units cannot be transferred to third parties, but only to the Fund through a redemption. Redemption of Units is possible in accordance with paragraph 6.4 of the Prospectus and Clause 11 of the Fund Agreement and subject to the conditions set out therein. Further to the liquidity risk identified above, the Fund may not be in a position to redeem Units in the Fund if there is not sufficient liquidity to meet redemption requests, and the Manager may thus call upon any of the liquidity management tools to limit and/or suspend redemption requests (see paragraph 6.4.4 and 6.4.5). Investors may consequently not be able to redeem their Units in full or in part and may have to hold on to their investment in the Fund longer than they expected or would wish to.

Moreover, where the Fund is able to meet redemption requests, any such redemptions of Units may require the Fund to liquidate Fund Assets earlier than anticipated or under less favourable market conditions than the Fund would otherwise have disposed of such Fund Assets. This may result in a lower Net Asset Value per Unit generating lower or negative returns for the non-redeeming Investors. Significant redemptions may lead to significant losses to Investors, which remain invested in the Fund.

### **Indefinite term of the Fund**

The term of the Fund is indefinite. Because of the Fund's unlimited life, the fact that it is not possible to transfer Units to a third party and the fact that Investors may not be able to redeem Units under all circumstances, an Investor may be tied to the investment in the Fund for longer than expected or desired. As a result, an Investor may not be able to dispose of the funds invested in the Units at an appropriate time and may not be able to reinvest them, for example, in a manner intended and desired by the Investor. Developments may also occur in the intervening period that will have a negative impact on the value of the Units, as a result of which they will ultimately turn out to be less profitable than if the Fund had been dissolved and liquidated earlier (and, as a result thereof, the remaining investment and return on the Units would have been paid/redeemed sooner).

### **Restricted tradability of the Units**

The Units will not be listed on a regulated market (securities exchange) or on a multilateral trading facility, and the Fund will not maintain a market in the Units. Investors may only sell their Units through a redemption request, which is subject to the conditions, limitation and risks set out in this Prospectus. In addition, the illiquidity of the Units may have a dampening effect on their value.

### **Valuation Risk of the Units**

Although the Net Asset Value per Unit is determined from time to time, there is a risk that the value of the Units may not be objectively, accurately or sufficiently determinable during their life, because no public price for the Units is formed and no other regular objective interim valuation of the Units takes place on the basis of which the value can be determined.

## **7.2. Other Risks**

### **Geopolitical risk**

There are various pending geopolitical conflicts between countries of which the outcome is uncertain. The effect this might have on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Fund or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict, and could have a significant adverse impact and result in significant losses to the Fund. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. Developing and further governmental actions (military or otherwise) may have the potential to cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems, all of which could adversely affect the Fund's ability to fulfil its investment objective.

### **Risk of changing and/or unclear (fiscal) laws**

This is the risk that (tax) legislation changes or that new legislation comes into force that negatively affects the tax treatment of the Fund or its Investors or the risk that 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 Manager and other connected persons may result in a negative impact on the Net Asset Value of the Fund and the Units.

### **Tax Risk**

Because certain countries may have tax practices that are unclear or subject to changes in

interpretation or law (including changes effective retrospectively), the Fund could become subject to additional taxation that is not anticipated either at the date of the Prospectus or when investments are made, valued or disposed of.

### **Regulatory supervision and compliance risk**

The regulatory rules keep evolving, which is particularly the case on subjects on sustainability, anti-money laundering, cyber security and fund management more generally. Changes in regulatory requirements and/or unclear requirements and/or differing interpretations thereof by the financial supervisors may adversely affect the functioning of the Fund and/or the Manager's ability to pursue the investment policy for the Fund.

### **Risks Relating to the Manager**

Due to the insolvency, negligence or fraudulent actions of the Manager, its directors or employees or third parties instructed by it, the value of Units may decline.

### **Risks Relating to the Legal Owner and the Depositary**

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

### **Indemnification risk**

The Manager and the Legal Owner are entitled to be indemnified out of the Fund Assets against costs, losses and expenses which they may incur or become liable in connection with the execution of their duties. In addition, the Depositary, the Administrator and other service providers also are entitled to an indemnity under the terms of their respective agreements for the services they provide. 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 AIFM Directive, and no other person shall be so indemnified with respect to any matter resulting from its attributable breach (*toerekenbare tekortkoming in de nakoming*).

### **Limited rights of Investors**

The Manager has exclusive authority for managing all operations of the Fund. Investors cannot exercise any management or control functions with respect to the Fund's operations, although they have limited voting rights during a Meeting of Investors.

### **UBO registration risk**

It should be noted that the Fund, being a fund for joint account (*fonds voor gemene rekening*), is considered equivalent as a 'trust' for purposes of the anti-money laundering rules regarding the registration of ultimate beneficial owners (UBOs). This means that each Investor is in principle considered an UBO of the Fund and must be registered as such within the UBO Register. However, where the Fund is marketed among more than 150 persons, the Manager may benefit from an exemption to register each Investor as an UBO of the Fund, but may rather register the group of Investors as a whole. The Manager will benefit from that exemption and will register the group of Investors as a whole. The Manager cannot exclude that such exemption may no longer be available in



the future, in which case the Manager may be required to register each Investor individually in the UBO Register.

### **General Legal Risks**

The Fund is exposed to risks when legal proceedings are instituted against it. Regardless of whether such claims are admissible, the Fund is at risk of incurring financial loss as the outcome of legal proceedings is often uncertain. Waging a defence in such proceedings is costly and costs can often only be partly recovered from the other party, even if the proceedings are decided in favour of the Fund. The occurrence of this risk could have a negative impact on the financial position of the Fund.

#### **7.2. Factors that are essential for estimating the risks associated with the Units**

The Units are not a suitable investment for all investors. Each potential investor in these Units must determine the suitability of that investment in the light of their own circumstances. More specifically, any potential investor should, among other things:

- have sufficient knowledge of and experience in investing in the private debt market to be able to assess the risks of an investment in the Units, the associated advantages and disadvantages and the information included, by reference or otherwise, in this Prospectus;
- have sufficient knowledge and experience to be able to assess an investment in the Units in the context of their own financial situation, as well as the impact of such investment on their total investment portfolio, or obtain advice from a licensed investment adviser;
- have sufficient financial resources to bear all the risks associated with an investment in the Units, including the consequences of the occurrence of risks associated with their investment, which – in the worst case scenario – could result in the complete loss of their investment and the callable but not distributed return on their investment;
- fully understand the terms and conditions of the Units as set out in the Fund Agreement and the Prospectus; and
- be able, independently or with the help of a financial adviser, to identify possible scenarios in relation to economic and other factors which may affect the investment, and be able to bear related risks.

## **CHAPTER 8 COSTS, EXPENSES, NET PROCEEDS AND DISTRIBUTIONS**

### **8.1. General**

This Chapter sets out the costs and expenses in relation to the Fund, which will be paid by and/or charged to the Fund. These costs and expenses will have an impact on the Net Asset Value.

This Chapter also sets out the expected proceeds in relation to the Fund Assets as well as the distribution policy applied in respect of the Fund.

### **8.2. Costs and expenses**

The Fund will bear the following types of costs and expenses.

#### **8.2.1. Formation Expenses**

The Fund will bear its own Formation Expenses. The Manager shall charge Formation Expenses advanced by it to the Fund. Formation 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 expenses of the Manager and service providers in connection with the set-up of the Fund. These expenses are estimated to be EUR 125,000. (excluding VAT) and amortized over a period of five years. Formation Expenses are subject to a maximum of EUR 175,000 (excluding VAT).

Any Formation Expenses in excess of this maximum shall be borne by the Manager.

#### **8.2.2. Fund operational costs**

The Fund will bear its own operational costs. The Fund's operational and maintenance costs, including, but not limited to, all costs of legal, tax, administrative, depository, legal owner, auditing, (regulatory) reporting and similar services and advices provided to the Fund (including by the Depository), the costs charged by the financial regulatory supervisors (i.e. the AFM, DNB and any other competent authority) on the Fund, any Swiss representatives and paying agent fees, any taxes and all costs of communications with and meetings of the Investors.

#### **8.2.3. Management Fee**

The following annual management fee applies per Class:

- 0% of the Net Asset Value per Class of the Zero Class (Class Z) excluding (i.e. before deduction of) the accrued Management Fee;
- 0.40% of the Net Asset Value per Class of the Charity Class (Class C) excluding (i.e. before deduction of) the accrued Management Fee;
- 0.50% of the Net Asset Value per Class of the Seeding Share Class (Class S) excluding (i.e. before deduction of) the accrued Management Fee;
- 0.65% of the Net Asset Value per Class of the Institutional Share Class (Class I and Class I-D) excluding (i.e. before deduction of) the accrued Management Fee;

- 0.75% of the Net Asset Value of the Regular Share Class (Class R and Class R-D) excluding (i.e. before deduction of) the accrued Management Fee.

The Management Fee will accrue on a daily basis by reference to the latest adopted Net Asset Value per Class and will be payable by the Fund in quarterly arrears as per the first Business Day of each calendar quarter.

#### 8.2.4. Transaction costs

All transaction costs, i.e. all costs related to the sourcing, evaluating, making, holding or disposing of Investments, including, but not limited to advisors' fees, (other) transaction costs and expenses and interest on investment-related borrowings. Transaction costs (if any) are not known beforehand and will be disclosed and specified in the Fund's annual report.

#### 8.2.5. Administrator fee

The Fund will bear the fees and expenses of the Administrator. The following fees have been agreed:

- an annual fee equal to 0.04% up to a Net Asset Value of EUR 50 million;
- an annual fee equal to 0.02% between a Net Asset Value of EUR 50 million and EUR 150 million;
- an annual fee equal to 0.015% between a Net Asset Value of EUR 150 million and EUR 500 million.

The Administrator will charge EUR 4,000 (excluding VAT) for preparing (semi-) annual statements and EUR 2,500 (excluding VAT) for regulatory support services. For Investor onboarding and FATCA related services the Administrator will charge the Fund certain fees as well and those depend on the number of Investors. There will be an onboarding fee of EUR 1,750 (excluding VAT).

#### 8.2.6. Legal Owner fee

The Legal Owner receives an annual fee of EUR 6,250 (excluding VAT) for its services as Legal Owner.

#### 8.2.7. Auditor fees

The annual audit fees payable to the Auditor will be EUR 23,000 per annum. This will be excluding VAT and disbursements. There will be an onboarding fee of EUR 3,000 (excluding VAT). For the review of the Prospectus of the Fund the auditor will charge a fee of EUR 4,000 (excluding VAT).

#### 8.2.8. Depositary fees

The minimum annual fees of the Depositary are EUR 12,500 (excluding VAT, indexation and disbursements). At a Net Asset Value of EUR 150 million the Depositary fees are expected to be EUR 19,500 (excluding VAT). There will be an onboarding fee of EUR 1,750 (excluding VAT).

#### 8.2.9. Costs of investments

The Fund will invest in Underlying Funds. The Fund may also invest in money market funds in order to manage liquidity. If the Fund invests either directly or indirectly in any such funds, the costs associated herewith may consist of transaction costs, operational costs, management fees, subscription fees, performance fees, administrative fees, depositary fees, custody fees, audit fees and other organisational expenses. Any such costs of such other fund will indirectly be borne by the Fund. Any return commission received by the Fund, the Manager or an affiliate of the Manager in connection with an investment in such funds will be for the benefit of and credited to the Fund.

Where the Fund invests in such funds, the costs associated with the funds concerned will be disclosed and specified in the Fund's annual report.

#### 8.2.10. Ongoing charges figure

The ongoing charges figure is the total amount of the costs of each Class incurred in a year - except for transaction costs and interest costs - expressed as a percentage of the Class' average Net Asset Value for the year concerned. The ongoing charges figure for each Class will be published annually in the Fund's annual accounts.

The projected annual ongoing charges figure per Class, assuming a Net Asset Value of EUR 150 million, is presented in the table below.

	<b>Class C</b>	<b>Class S</b>	<b>Class I Class I-D</b>	<b>Class R Class R-D</b>	<b>Class Z</b>
<b>Ongoing Charges Figure (estimate)</b>					
Management Fee	0.40%	0.50%	0.65%	0.75%	0.00%
Administrator	0.03%	0.03%	0.03%	0.03%	0.03%
Legal Owner	0.01%	0.01%	0.01%	0.01%	0.01%
Depository	0.02%	0.02%	0.02%	0.02%	0.02%
Audit	0.02%	0.02%	0.02%	0.02%	0.02%
Formation Expenses	0.01%	0.01%	0.01%	0.01%	0.01%
Other expenses	0.01%	0.01%	0.01%	0.01%	0.01%
<b>Total</b>	<b>0.50%</b>	<b>0.60%</b>	<b>0.75%</b>	<b>0.85%</b>	<b>0.10%</b>

## 8.2. Distribution Policy

The Manager may, at its sole discretion and at any time, decide to distribute any Net Proceeds to the Investors. However, distributions are not foreseen. All Net Proceeds from Underlying Funds will in principle be re-invested on a continuous basis throughout the year, either through making new commitments to Underlying Funds and/or by requesting the (fund) manager of such Underlying Funds to refrain from paying out dividends to the Fund, during the term of the Fund. Any distribution will only be made in cash on a pro rata basis. Any distribution (including profit distributions) to the Investors, including the amount, composition and manner of payment, shall be published on the Manager's website.

The Manager may, at its sole discretion, decide to sell any Net Proceeds received in kind for its fair market value and under such other conditions as reasonably determined by the Manager and to distribute the received sale proceeds (net of any costs of sale) instead of the sold assets. Where the Fund has the right to elect between a distribution by the Underlying Funds in kind or in cash, the Manager (on behalf of the Fund) shall decide hereon at its sole discretion taking into the account the interests of the Fund and its Investors as a whole.

## **CHAPTER 9 TAX ASPECTS**

### **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 an Investor, and does not purport to deal with the tax consequences applicable to all categories of Investors. Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of the Units.

### **Taxation of the Fund**

The Fund is transparent for Dutch corporate income tax purposes. As a consequence, the Fund is not subject to Dutch corporate income tax. Distributions by the Fund (if any) are not subject to Dutch dividend withholding tax.

### **Taxation of Investors**

#### *Dutch resident Investors*

Investors who are individuals and are resident or deemed to be resident in The Netherlands for Dutch income tax purposes should, given the passive nature of the investments made by the Fund, be taxed in "Box 3" on the fair market value of their Units in the Fund held as a portfolio investment at an effective tax rate of up to 1.851% (maximum effective tax rate for 2023). Please note that the Dutch tax authorities may have another view on this.

Corporate and institutional Investors that are resident or deemed to be resident in The Netherlands, without being exempt from Dutch corporate income tax, will be subject to Dutch corporate income tax on all income and gains realised in connection with the Units. As the Fund is transparent for Dutch corporate income tax purposes, such income and gains will consist of any income derived and any gain realised in respect of the Fund investments in proportion to the Investor's participation in the Fund.

Due to the transparency of the Fund for Dutch corporate income tax purposes, changes of the proportional interest of an Investor e.g. as a result of a new Investor investing in the Fund may lead to a (deemed) realization of capital gains for Dutch corporate income tax purposes.

Dutch tax resident Investors, whether private individual, corporate or institutional, may, depending on the source country of the relevant fund investment and the interpretation of any applicable tax treaty between such country and The Netherlands, benefit from certain exemptions and/or reductions from withholding and capital gains tax relating to the fund investments. Any remaining withholding tax at the level of the fund investments is generally creditable to Dutch resident private individual Investors and corporate and institutional Investors that are subject to Dutch corporate income tax.

#### *Non-Dutch resident Investors*

Non-Dutch resident Investors normally will not be subject to Dutch income or corporate taxation with respect to income or capital gains realised in connection with a Unit, unless there is a specific connection with The Netherlands, such as an enterprise or part thereof which is carried on through a permanent

establishment in The Netherlands. For an Investors holding the Units in the context of an enterprise it cannot be ruled out that a permanent establishment is deemed to exist.

An Investor should not become resident or deemed to be resident in The Netherlands by reason only of the holding of a Unit.

### **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 percent 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 Investor of such fund providing the fund with any information, including information concerning the direct or indirect owners of such Investor, 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 Investor agrees by signing the Subscription Form to provide such information upon request from the Manager or the Administrator. If a fund fails to satisfy such obligations or if an Investor 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 an Investor 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 an Investor's shares or redemption proceeds to ensure that such withholding is eventually borne by the relevant Investor whose failure to provide the necessary information gave rise to the withholding tax. Each prospective Investor 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.

### **FATCA and 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, Investors shall be deemed to acknowledge that:

- a) the Fund is considered to (i) be a reporting financial institution under the CRS and the Fund (or its agent) will be required to disclose to the competent tax authority of the Netherlands certain confidential information in relation to the Investor, including but not limited to the Investor's name, address, tax identification number (if any), social security number (if any) and certain information relating to the Investor's investment;
- b) the competent tax authority of the Netherlands will be required to automatically exchange information as outlined above with the Foreign Tax Authorities;
- c) the Fund (or its agent) will be required to disclose to the Foreign Tax Authorities certain confidential information when registering with such authorities and if such authorities contact the Fund (or its agent directly) with further enquiries;
- d) the Fund may require the Investor to provide additional information and/or documentation which the Fund will be required to disclose to the competent tax authority of the Netherlands;
- e) in the event an Investor 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 Investors 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 Investors concerned;
- f) no Investor 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
- g) all information to be reported under CRS will be treated as confidential and such information shall not be disclosed to any persons other than the competent tax authority of the Netherlands and the Foreign Tax Authorities or as otherwise required by law.

Investors 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).

**CHAPTER 10 PARTIES INVOLVED**

<b>Fund</b> TPM Privium Private Debt Portfolio	
<b>Manager</b> Privium Fund Management B.V. Gustav Mahlerplein 3 1082 MS Amsterdam The Netherlands	<b>Legal Owner</b> Stichting TPM Privium Private Debt Portfolio Hoogoorddreef 15 1101 BA Amsterdam The Netherlands
<b>Depository</b> IQ EQ Depository B.V. Hoogoorddreef 15 1101 BA Amsterdam The Netherlands	<b>Administrator</b> IQ EQ Financial Services B.V. Hoogoorddreef 15 1101 BA Amsterdam The Netherlands
<b>Civil-law notary + corporate law adviser</b> Zuidbroek B.V. Grote Bickersstraat 74 1013 KS Amsterdam The Netherlands	<b>Financial regulatory law adviser</b> Finnius advocaten B.V. Huys Azië Jollemanhof 20A 1019 GW Amsterdam The Netherlands
<b>Tax adviser</b> Atlas Fiscalisten N.V. Weteringschans 24 1017SG Amsterdam The Netherlands	<b>Auditor</b> EY Accountants B.V. Antonio Vivaldistraat 150 1083 HP Amsterdam The Netherlands



## **CHAPTER 11      PROVISION OF INFORMATION**

### **11.1.      Annexes included**

The following Annexes form an inextricable part of this Prospectus:

Annex I	Fund Agreement
Annex II	Subscription Form (with the Redemption Form being included as Annex 1 therein)
Annex III	Assurance Report Auditor

### **11.2.      Supplemental Information**

Copies of this Prospectus and any addenda to this Prospectus are available free of charge via the Website during the subscription period. The Prospectus is available in the English language only. Translations of Dutch legal terms used in this Prospectus are for convenience only and shall not influence the interpretation thereof.

The data of the Manager and the Legal Owner that must be included in the trade register pursuant to any statutory rule will be made available to all Investors, at cost price, upon request.

### **11.3.      Website**

The following documents will also be available for the Investors via the Website:

- a) the Fund Agreement;
- b) this Prospectus;
- c) the Annual Accounts;
- d) the Semi-Annual Accounts;
- e) the Key Information Document (KID) concerning the offer of the Units and Classes;
- f) the monthly reports (see paragraph 11.4);
- g) the license of the Manager;
- h) a disclosure of the most relevant potential conflicts of interests and mitigating measures.

Any relevant changes to this Prospectus and/or the Annexes will also be made available via the Website in accordance with Paragraph 05.

The above documents are also available for Investors upon request free of charge.

### **11.4.      Periodic reporting**

During the term of the Fund, the Manager will provide the following reports to Investors:

#### *Monthly reports*

On a monthly basis, the Manager will provide Investors with monthly reports covering the following topics:

- the total value of the Fund Assets;
- an overview of the composition of the portfolio of the Fund;
- the number of outstanding Units; and
- the most recent Net Asset Value, Net Asset Valuer per Class and Net Asset Value per Unit, including reference to the moment the relevant Net Asset Value was calculated.

#### *Annual Accounts*

Within six (6) months after a Financial Year has passed, the Annual Accounts will be drawn up and published in accordance with applicable laws. The Annual Accounts will be drawn up in accordance with the provisions of Dutch GAAP and will be audited by the Auditor. The Auditor will report to the Manager on its audit and disclose in its report other work performed for the Fund. The Auditor's report will be added to the Annual Accounts. The first financial year of the Fund will commence on the first Business Day of October 2023 and end on the thirty first day of December 2024.

#### *Semi-Annual Accounts*

Within nine (9) weeks after the first half of the Financial Year has passed, the Semi-Annual Accounts will be drawn up and published in accordance with applicable laws. The Semi-Annual Accounts will be drawn up in accordance with the provisions of Dutch GAAP. The Semi-Annual Accounts will not be audited.

#### *Periodic information about Underlying Funds*

The appointed manager and/or administrator of the Underlying Funds shall determine the net asset value of the respective Underlying Fund and within six (6) months after the end of each financial year of the Underlying Fund, in accordance with the applicable legal requirements, prepare the Fund's annual accounts audited by a chartered accountant.

The Manager shall on behalf of the Fund, in its capacity of the holder of units in the Underlying Funds, be entitled to receive and/or inspect documents which Underlying Funds shall make available for the holders of units in such Underlying Funds. The Manager may upon request and with the prior consent of the manager of the relevant Underlying Fund provide certain information related to the Underlying Funds in units or shares of which twenty per cent. (20%) or more of the Fund Assets are invested to Investors at cost price.

#### *Periodic information*

Only to the extent relevant and applicable to the present case, the Manager will ensure that the periodic reporting to Investors will also include the following information:

- the percentage of the Fund Assets which are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing the liquidity of the Fund;
- the current risk profile of the Fund in so far as this deviates from the information included in the Prospectus below, and the risk management systems employed by the Manager to manage those risks;
- any changes to the maximum level of leverage which may be employed on behalf of the Fund as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement; and
- the total amount of leverage employed by the Fund.

### **11.5. Other Relevant Changes to the Information Provided**

If material changes occur during the term of the Fund in respect of the information included in this Prospectus and/or the Annexes other than the information referred to in Paragraph 13.6 above, the Manager will inform the Investors thereof by sending this information to the Investors' email addresses. In addition, material changes in respect of this Prospectus and/or the Annexes will be published on the Website, whether or not on the part accessible only to Investors, stating the date the relevant change takes effect.

## 11.6. Overview of information provided to investors within the meaning of Article 23 AIFM Directive

Article 23 AIFM Directive prescribes what information licensed AIFMs must make available to investors regarding AIFs they manage or offer for investment. In connection with the present offer of the Units, a checklist was drawn up below containing the information requirements of Article 23 AIFM Directive. This states whether and, if so, where the relevant information item can be found in the Prospectus.

<b>Article 23, first paragraph, at (AIFM Directive):</b>	<b>Source Prospectus (Chapter/Paragraph)</b>
<b>a.</b>	
- Investment strategy and objectives	- Chapter 3
- Where any master AIFs are established	- Paragraph 3.2.2 <sup>1</sup>
- Where the underlying funds are established in case of a fund of funds	- Paragraph 3.2.2
- Types of assets in which the AIF may invest, the techniques it may employ and all associated risks	- Chapter 3
- Any investment restrictions	- Paragraph 3.3.2
- Circumstances in which leverage may be used	- Paragraph 3.3.2
- Types and sources of leverage and the associated risks	- Paragraph 3.3.2
- Restrictions on the use of leverage	- Paragraph 3.3.2
- Collateral and asset reuse arrangements	- N/A
- Maximum level of leverage	- Paragraph 3.3.2
<b>b.</b> Procedures regarding change of investment policy and/or strategy	- Paragraph 6.11
<b>c.</b> Legal implications of contractual relationships	- Paragraph 6.12
<b>d.</b> Identity and duties of the manager and depositary, among others, and the investor's rights	- Chapter 5 and 6
<b>e.</b> Additional equity held or professional liability insurance taken out to cover professional liability risks	- Paragraph 5.2.6
<b>f.</b> Delegation of manager and depositary and identification of related conflicts of interests	- Paragraphs 5.2.3, 5.2.4, 5.5.2 and 5.6
<b>g.</b> Valuation procedure and pricing methodology for valuing assets	- Paragraph 6.9 and 6.10
<b>h.</b> Liquidity risk management and redemption arrangements	- Paragraph 3.2.3 and 6.4
<b>i.</b> Fees, charges and expenses, and the maximum amounts borne by the investors	- Chapter 8
<b>j.</b> How fair treatment of investors is ensured, description of any preferential treatment, the type of investors who obtain such preferential treatment and their legal or economic links with the manager or AIF.	- Paragraph 6.6
<b>k.</b> If the AIF is already active: the latest annual report of the AIF accompanied by an audit opinion (See the explanation).	- N/A
<b>l.</b> Procedure and conditions for the issue and sale of units or shares	- Chapter 6
<b>m.</b> If the AIF is already active: Latest net asset value of the investment fund or the latest market price of the unit or	- N/A

<sup>1</sup> It should be noted that the Fund does not have as its objective to qualify as a feeder-AIF, yet me qualify as such in the early life of the Fund.

share in the investment fund	
n. If the AIF is already active: The historical performance	- N/A
o. If there is a prime broker: Identity of prime broker, description of material arrangements between the AIF and the prime broker and the way the conflicts of interest in relation thereto are managed, contract with depositary and reuse of the assets and information about any transfer of liability to the prime broker	- N/A
p. Description of how and when the information within the meaning of <u>Article 23, fourth and fifth paragraph, AIFM Directive</u> is disclosed by the manager:	
<p><u>Fourth paragraph</u>: periodic disclosure of information about:</p> <ul style="list-style-type: none"> <li>a. The percentage of the AIF's assets which are subject to special arrangements arising from their illiquid nature.</li> <li>b. Any new arrangements for managing the liquidity of the AIF.</li> <li>c. The current risk profile of the AIF and the risk management system it employs to manage those risks.</li> </ul>	- Paragraph 11.4
<p><u>Fifth paragraph</u>: For an EU AIF employing leverage or that is marketed within the EU, information will be disclosed on a regular basis regarding:</p> <ul style="list-style-type: none"> <li>a. Changes to the maximum level of leverage as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement</li> <li>b. The total amount of leverage employed by the AIF</li> </ul>	- Paragraphs 3.3.2 and 11.4
<b><u>Article 23(2) AIFM Directive</u></b>	
Any arrangement made by the depositary regarding contractual discharge of liability within the meaning of Article 21(13) AIFM Directive, and changes with respect to depositary liability	- Paragraph 5.5.3

**ANNEX I FUND AGREEMENT**

*To be added separately*

**ANNEX II SUBSCRIPTION FORM**

*[To be added separately]*

## **ANNEX III 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 manager of the TPM Privium Private Debt Portfolio

#### *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 manager of TPM Privium Private Debt Portfolio, Amsterdam.

In our opinion the prospectus dated November 8, 2024 of TPM Privium Private Debt Portfolio 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 TPM Privium Private Debt Portfolio and Privium Fund Management B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in The Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics)..

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

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

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

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

Our opinion is not modified in respect of these matters.

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

The manager of the TPM Privium Private Debt Portfolio 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 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, November 8, 2024

EY Accountant B.V.

Signed by R. Vossen