

Theta Distressed Credit Opportunities Pool

PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

PRODUCT

Product: Theta Distressed Credit Opportunities Pool ("the Fund")
Product manufacturer: Theta Fund Management B.V. ("Theta"), a 100% subsidiary of Theta Capital Management B.V. in Amsterdam
Product Code: Class A - USD
Website: www.thetacapital.com
Telephone: + 31 (0)20 5722 734
Regulator: Autoriteit Financiële Markten (AFM), The Netherlands
Document valid as at: 31st October 2022

YOU ARE ABOUT TO PURCHASE A PRODUCT THAT IS NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND

WHAT IS THIS PRODUCT?

TYPE

The Fund is organized as a common contractual fund (*fonds voor gemene rekening*) under the laws of The Netherlands. Theta is licensed as a fund manager (*beheerder van een beleggingsinstelling*) under article 2:65 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "Act").

OBJECTIVE

The Fund aims to provide investors with an investment vehicle which targets above average returns of 10%+ per annum on a five-year investment horizon by allocating to a pool of 4-8 third party specialist investment managers that focus on investing in dislocated credit instruments and distressed debt and restructuring opportunities.

Theta will allocate to managers in the structured credit, corporate and sovereign credit space in both developed and emerging markets that have the experience and infrastructure to capitalize on the increased volatility and dispersion in markets as well as anticipated restructurings and liquidations.

The investment funds are selected on the basis of several criteria, including but not limited to investment strategy, pedigree and experience of the investment team, quality of the organization and service providers, and (commercial) terms of investment. The investment return is mainly determined by the change in value of the shares of the funds in which it invests.

The (changes in the) expectations regarding economic growth, interest and ratings have an impact on the return. If these investments are traded in a currency other than the U.S. dollar, then changes in exchange rates also affect the return. In addition, the return is influenced by the changes that are made to the portfolio. The product's costs lower the return. The return will be calculated monthly in US dollars based on the value of the portfolio.

In view of the long-term objective and because investments can experience short term fluctuations, it is recommended to hold an investment in this product at least 5 years.

INTENDED RETAIL INVESTORS

The Fund is suitable for investors who seek capital growth over a 5-year investment horizon.

Investors should:

- Have experience with investing in hedge funds;
- Be prepared to accept the risk of a large loss in the value of the Fund and to be able to accept those losses;
- Not require income from the Fund;
- Expect to hold the Fund for a long period of time (5+ years);
- Be willing to accept higher exit costs and limited liquidity (Investors can redeem after the initial 2 year hard lock 25% of their capital every quarter with 90 days notice);
- Be aware that redemption of participations in the fund may under certain circumstances not be possible;
- Be aware that the Fund is intended as a supplement to a well-diversified portfolio; and
- Be aware that the Fund does not take adverse sustainability impacts into account.

TERM

The Fund is open ended with no maturity date. Theta may terminate the product unilaterally with notice (see prospectus for more details).

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

The reduction in yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest USD 100,000. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

INVESTMENT OF USD 100,000			
SCENARIOS	IF YOU SELL AFTER 1 YEAR	IF YOU SELL AFTER 3 YEARS	IF YOU SELL AFTER 5 YEARS
TOTAL COSTS	USD 1,860	USD 5,580	USD 9,300
IMPACT ON RETURN PER YEAR	1.86%	1.86%	1.86%

Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

THIS TABLE SHOWS THE IMPACT ON RETURN PER YEAR

One-off costs	Entry costs	0.00%	Impact of entry costs taken before investment. This is the maximum, you could pay less.
	Exit costs	0.00%	Impact of exit costs taken when you exit the investment upon maturity.
On-going costs	Portfolio transaction costs	0.00%	The impact of costs of us buying and selling underlying investments for the product
	Other ongoing costs	1.86 %	The impact of costs incurred each year for managing and administering your investments, including those of the underlying funds and third parties
Incidental costs	Performance fee	0.26%	The impact of performance fee based on past performance. This is charged whenever the Fund performs better than 5% per annum (non-cumulative). The Fund has a high watermark (the highest net asset value of the Fund at the end of the year).

HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

Recommended holding period: 5 Years

Given the nature of the underlying investments of the product and its objective in the long-term, a minimum holding period of 5 years is recommended.

Investors can subscribe and redeem at the net asset value. Subscriptions are monthly. Investors have an initial hard lock up and then redemptions are every quarter, with 90 days' notice subject to a 25% investor level gate. Theta is not obliged to redeem more than 10% of the outstanding participations of the Fund on any quarterly dealing day.

HOW CAN I COMPLAIN?

You can submit your complaint via info@thetacapital.com or by regular mail.

Postal address: Concertgebouwplein 19, 1071LM, Amsterdam, The Netherlands

Website: www.thetacapital.com

E-mail: info@thetacapital.com

If you have filed a complaint with us as a private individual and disagree with the outcome of your complaint, you can present your complaint to the Financial Services Complaints Institute (KIFID) and / or the court. Information about the KIFID procedure can be found on www.kifid.nl.

OTHER RELEVANT INFORMATION

The information memorandum in English, the terms and conditions of the Fund and the annual report for the Fund are also published on the above website. These documents are available free of charge at the office of Theta Fund Management B.V. The most recent net asset value is also published on the website. The remuneration policy is explained in English in the annual report. The Fund may offer other share classes. Information on these share classes is available in the prospectus under the relevant Appendix. The product is subject to the tax laws of The Netherlands. Depending on your home country of residence, this might have an impact on your investments. Please contact an advisor for further details. Theta Fund Management B.V. may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the Fund. The historical series are based on proforma track record of the portfolio, but this means that the performance can deviate from the expectations. The representation of the total costs is calculated on the basis of expected fees and expenses.