

INFORMATION MEMORANDUM

January 1, 2022

THETA LEGENDS FUND

Theta Fund Management B.V.

IMPORTANT INFORMATION

Prospective participants (“Participants”) should read this Information Memorandum carefully before deciding whether to purchase a participation (the “Participation(s)”) in Theta Legends Fund (the “Fund”) and should pay particular attention to the information set forth under the heading ‘Risk Factors and Conflicts of Interest’.

The manager of the Fund is Theta Fund Management B.V. (“Theta” or the “Manager”). Theta is responsible for the accuracy and completeness of the information contained in this Information Memorandum. Theta is licensed under article 2:65 of the Act as a manager of alternative investment funds and subject to supervision in The Netherlands.

There is not and will not be any public market for the Participations. The Participations are subject to investment risks, including the possible loss of the entire amount invested. Participants should be aware that redemption of all or part of their investment may be deferred under certain circumstances.

The risks inherent in investment in the Fund are greater than those typically encountered in investing in collective investment vehicles whose financial instruments are traded or listed on a regulated market, multilateral trading facility or any other trading platform. An investment in the Fund is only suitable for experienced investors who appreciate the risks involved, which include the loss of their entire investment. Investment is not suitable for investors who may wish to realize their investment at short notice.

Any representation or information not contained herein must not be relied upon as having been authorised by Theta since no person has been authorised to make any such representation or to provide any such information.

Prospective Participants should not construe the contents of this Information Memorandum as investment, legal, tax, accounting or other advice. In making an investment decision, Participants must rely on their own examination of the Fund, including the merits and risks involved, and on their own representatives, including, but not limited to, their own investment adviser, legal counsel, tax counsel and accountants.

This Information Memorandum is the prospectus referred to in Article 23 AIFMD with respect to the Fund. This Information Memorandum should be read in conjunction with the latest annual report, the contents of which shall be deemed to be part of this Information Memorandum and will be available on the Website.

This Information Memorandum does not constitute an offer to sell or solicitation of an offer to buy Participations in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The Fund is registered for distribution in The Netherlands for investments with a minimum of EUR 100,000. Theta may decide to market the Fund in other jurisdictions of the European Economic Area to eligible investors in which case it will comply with the applicable procedures under the AIFMD.

This Information Memorandum is governed by Dutch law. Each party has the right to submit such a dispute in relation with the Fund to the District Court of Amsterdam.

TABLE OF CONTENTS

1.	KEY INFORMATION AND PARTIES INVOLVED	4
2.	INVESTMENT STRATEGY AND POLICY.....	7
3.	RISK FACTORS AND CONFLICTS OF INTEREST.....	11
4.	FUND STRUCTURE.....	18
5.	PARTICIPATIONS, SUBSCRIPTION AND REDEMPTION.....	22
6.	FEES, COSTS AND EXPENSES.....	25
7.	THETA.....	27
8.	REPORTING AND INFORMATION	29
9.	TAXATION / LEGAL	32
10.	IMPORTANT INFORMATION.....	38
	EXHIBIT I Conditions of Management and Custody.....	39

1. KEY INFORMATION AND PARTIES INVOLVED

All capitalized words in this Information Memorandum are defined in article 1 ('Definitions') of the Terms and Conditions of Management and Custody of Theta Legends Fund (the "Fund") (please refer to Exhibit I).

Structure

The Fund is organized as a common contractual fund (*fonds voor gemene rekening*) under the laws of The Netherlands. Theta Fund Management B.V. ("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"). Theta is subject to supervision of both the AFM and the Dutch Central Bank.

Theta is a 100% subsidiary of Theta Capital Management B.V. Theta Capital Management B.V. is an independent alternative investment fund investment specialist based in Amsterdam, The Netherlands. Theta Capital Management B.V. is regulated by the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*) ("AFM") as an investment firm (*beleggingsonderneming*) under article 2:96 of the Act.

Northern Trust Global Services SE acts as depositary (*bewaarder*) of the Fund Estate. Stichting Bewaarbedrijf Legends XL Fund is the legal owner (*juridisch eigenaar*) of the Fund Estate. Furthermore, the general administration of the Fund is delegated by Theta to Apex Fund Services (Netherlands) B.V. as third party administrator.

Redemption of Participations is only possible under certain restrictive conditions as stated in this Information Memorandum. Participations cannot be transferred or encumbered.

Investment Objective

The Fund invests in hedge funds (collective investment vehicles) that have an outstanding investment history and have proven adaptiveness to changing market environments through various economic cycles. The Fund has a wide investment mandate, enabling the Manager to take advantage of investment opportunities that offer significant potential returns.

Investments

The Fund aims to achieve consistent high absolute returns on investment, irrespective of the direction of comparable publicly traded securities, i.e. to have limited correlation to general market risks. The Fund's portfolio will contain participations in between 10 and 20 hedge funds with no single investment in a fund representing 20% or more of the book value of the Fund Assets at cost. Diversification is sought through the underlying markets, securities, investment strategies, trading styles and regions, rather than the number of hedge funds.

Classes and Fee Structure

The Fund may issue Participations in various Classes. All Classes will be subject to the same investment objectives and strategy but will have a currency hedge strategy linked to the currency of the Class. The related hedging costs and the gains and losses attributable to the hedging transactions will be credited or charged to the Class on behalf of which such transactions are effected.

As of the date of the Information Memorandum two Classes are being offered,

1. Class A (Euro); and
2. Class B (USD).

Subscriptions

Participations shall be in registered form and will be issued either for a fixed subscription price in EUR per Participation for an amount to be determined by the Manager, upon inception of the Fund and thereafter at the Net Asset Value. Participations may be issued on each (monthly) Valuation Day at the discretion of Theta. Applications for Participations should be made through the Application Form which will be provided by Theta upon request.

Minimum Subscription

The minimum initial subscription amount for each Participant is €100,000.

Redemptions

Participations may be redeemed as of the first (monthly) Valuation Day following 90 calendar days prior written notice to Theta, and subject to further restrictions as specified herein under ‘Redemptions’, page 23. Theta may limit the redemption of Participations on any Valuation Day to a maximum of 10% of the outstanding Participations on such Valuation Day.

The minimum value of Participations which may be subject of one redemption request will be €10,000.

Minimum Holding

A request for a partial redemption of Participations may be refused and the holding will be redeemed in its entirety, if, as a result of such partial redemption, the total Net Asset Value of the Participations retained by the Participant would be less than € 100,000.

Valuations

The Net Asset Value of a Participation will be calculated in accordance with the Conditions on the last Business Day of each calendar month (“Valuation Day”). The latest NAV of each Class will be available on the Website and deemed to be incorporated by reference herein.

Distribution Policy

All investment gains, paid out dividends or other distributions by an Investee Fund will be reinvested within the Fund. However, in case investment opportunities meeting the requirements of the Fund are limited, Theta has the option to make distributions to Participants on a pro-rata basis.

Fund Currency

The Fund is denominated in Euro.

Leverage

The Manager does not intend to use leverage (*hefboomfinanciering*) for the purpose of enhancing the Fund’s returns. The Manager may however borrow for the account, and at the expense, of the Fund to temporarily finance Fund Assets, Fund Obligations and Costs. The sum outstanding at any time shall not exceed 30% of the Net Asset Value of a Class. Beyond that, Fund Investments may not be financed with any funding (including but not limited to debt funding) other than subscription proceeds received by the Legal Owner.

Fund Term

The Fund has been established for an indefinite term.

Reporting

Participants will receive quarterly reporting of the Net Asset Value. In addition, Theta will provide:

- monthly reports, if and when applicable, containing mandatory disclosures under the AIFMD;
- quarterly reports, detailing *inter alia*, the investment outlook and market commentary; and
- audited annual reports.

To the extent possible the Manager will share content produced by the Investee Funds including investor letters, research papers, webinars, topic discussions, founder interviews etc.

Annual Accounts Date

Annual accounts of the Fund will be prepared as per 31 December of each calendar year.

Listing

Participations will not be listed or traded on any regulated market, multilateral trading facility or any other trading platform.

Register

Theta has delegated the maintenance of the Register to the Administrator. The Register records the names and addresses of all Participants, the particulars of their Participations and the manner in which a Participant wishes to receive payments and any distributions. A Participant must notify the Manager promptly of any change in the information referred to above.

Theta shall at all times be entitled to rely on the accuracy of the information provided by each Participant to the Administrator in this respect.

Information on parties involved

Manager

Theta Fund Management B.V.
Concertgebouwplein 19
1071 LM Amsterdam
The Netherlands
Tel: +31 20 5722733

Legal Owner

Stichting Bewaarbedrijf Legends XL Fund
Concertgebouwplein 19
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Tel: +31 20 5722743

Depository:

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1082 MD Amsterdam
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Tel: +31 20 794 000
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Administrator

Apex Fund Services (Netherlands) B.V.
Shareholder Service Department
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Legal and Tax Counsel

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Hirsch Building
Leidseplein 29
1017 PS Amsterdam
The Netherlands

Auditor

Ernst & Young Accountants, LLP
Wassenaarseweg 80
2596 CZ The Hague
The Netherlands

2. INVESTMENT STRATEGY AND POLICY

KEY OBJECTIVES AND INVESTMENT STRATEGY

The Fund aims to provide individual and institutional investors with an investment vehicle which targets average returns of around €STR (€ Short Term Rate) + 5% per annum. The Manager will attempt to accomplish this objective by investing in a diversified portfolio of hedge funds (collective investment vehicles) and other investment structures, which employ diverse investment styles and strategies. No guarantee is given as to the Fund actually achieving this objective.

The Fund is suitable for investors with an investment horizon of 3-5 years. While volatility is expected by the Manager to be lower than equity markets, investors should be prepared to accept equity-like movements.

The Fund focuses on hedge funds that have an outstanding investment history and proven adaptiveness to changing market environments through various economic cycles. Many of these hedge funds have a minimum investment amount of more than EUR 10 million and therefore are not easily accessible for private investors. It is expected that a manager of an Investee Fund will have a track record of at least 10 years.

The Fund aims to achieve consistent high absolute returns on investment, irrespective of the direction of comparable publicly traded securities, i.e. to have limited correlation to general market risks. The Fund's portfolio will contain participations in between 10 and 20 hedge funds with no single investment in a fund representing 20% or more of the book value of the Fund Assets at cost. Diversification is sought through the underlying markets, securities, investment strategies, trading styles and regions, rather than the number of hedge funds.

The Manager may borrow for the account, and at the expense, of the Fund to finance Fund Assets, Fund Obligations and other costs. The sum borrowed at any time (not including costs in relation to the establishment of the Fund, please see section *Establishment Costs*) shall not exceed 30% of the Net Asset Value of a Class. Beyond that, Fund Investments may not be financed with any funding (including but not limited to debt funding) other than subscription proceeds received by the Administrator. The Manager does not intend to use leverage for the purpose of enhancing the Fund's returns.

The Fund invests in hedge funds across the hedge fund investment strategies 'Equity Hedge', 'Event-Driven', 'Relative Value' and 'Global Macro'. A description of these investment strategies is included in this Information Memorandum under *Description of basic strategies*.

The Fund intends to invest primarily in hedge funds based in established on- and offshore financial centers across the globe, but will retain the flexibility to invest in funds established in other developing hedge fund markets if and when suitable opportunities arise. The Fund will, in principle, invest in funds established by hedge fund managers with strong and consistent track records.

The Manager has substantial experience with many hedge funds established by leading fund managers, several of which may be included in the Fund. The Fund will seek access to the most attractive hedge funds, which are often closed for new subscriptions. There can be no guarantee, however, that the Fund will actually have access to a hedge fund in which it may seek to invest.

The overall success of the Fund depends on (i) the ability of the Manager to select and gain access to successful hedge funds and to build a diversified investment portfolio of them, (ii) the selected hedge fund managers' ability to remain successful in their strategies.

DESCRIPTIONS OF BASIC STRATEGIES

Absolute return investing may encompass a wide variety of the investment styles, which hedge fund managers may employ. Furthermore, the hedge fund managers may use a number of basic strategies, with different risk/return characteristics. Please note that there are no scientific or industry-uniform definitions for these strategies. The Fund will invest in Investee Funds of which the basic strategies are summarized below.

Equity Hedge Strategy

Equity hedge strategies maintain positions both long and short primarily in equity and equity derivative securities. A wide variety of investment processes can be employed to arrive at an investment decision, including both quantitative and fundamental techniques; strategies can be broadly diversified or narrowly focused on specific sectors and can range broadly in terms of levels of net exposure, leverage employed, holding period, concentrations of market capitalizations and valuation ranges of typical portfolios.

Event-Driven Strategy

Hedge funds maintaining positions in equity or debt of companies currently or prospectively involved in corporate transactions or situations of a wide variety, including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event driven funds are exposed to a combination of equity markets-, credit markets- and company specific developments. Investments are typically based on the fundamental research of a company and its securities, with the realization of the investment hypothesis dependent on a specific forecasted development.

Relative Value Strategy

Hedge funds who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types. Fixed income strategies are typically quantitatively driven to measure the existing relationship between instruments and, in some cases, identify attractive positions in which the risk adjusted spread between these instruments represents an attractive opportunity for the investment manager. A relative value position may be involved in corporate transactions also, but as opposed to event driven exposures, the investment thesis is predicated on realization of a pricing discrepancy between related securities, as opposed to the outcome of the corporate transaction.

Global Macro Strategy

Hedge funds which trade a broad range of strategies in which the investments are aimed at movements in underlying economic variables and the impact these have on equity, fixed income, currency and commodity markets. Managers employ a variety of techniques, both discretionary and systematic analysis, combinations of top down and bottom-up theses, quantitative and fundamental approaches and long and short term holding periods. Although some strategies employ relative value techniques, macro strategies are distinct from relative value strategies in that the primary investment thesis is based on predicted future movements in the underlying instruments, rather than realization of a valuation discrepancy between securities. In a similar way, while both macro- and equity hedge managers may hold equity securities, the overriding investment thesis is founded on the impact that movements in underlying macroeconomic variables may have on securities prices, as opposed to

equity hedge, in which the fundamental characteristics of the company in which shares are bought or sold are the most important and integral to investment decisions.

INVESTMENT PROCESS

In its investment process, the Manager takes a predominantly bottom-up approach reflecting its belief that hedge fund managers are well equipped to capitalize on varying market conditions. In other words, the Manager does not actively manage its portfolios according to pre-formulated return expectations for the different hedge fund investment strategies. Rather, the Manager strives to select managers that have proven the ability to successfully exploit investment opportunities in varying market environments and the Manager aims to compose portfolios of hedge funds with fundamentally different risk-return profiles to maximize the benefit of diversification. This approach endeavors to provide the Participants with capital appreciation and downside protection, at all times.

MANAGER SELECTION AND DUE DILIGENCE

The objective of the Manager's selection process is to identify hedge fund managers with superior investment skills that have proven to operate successfully also in adverse market environments. The selection process entails three levels of analysis, each with its own information requirements, documents and criteria. The selection process is supported by several databases, a qualitative information system and various tools (some proprietary) for quantitative fund analysis and stress-testing.

The three levels of analysis consist of:

- a qualitative due diligence process;
- a quantitative analysis; and
- an operational due diligence.

In the *qualitative* due diligence process the Manager focuses on:

- independent mind, potential to generate uncorrelated returns, flexibility of investment approach;
- competitive edge in investment strategy, trading style;
- investment process;
- risk management; and
- background and experience.

The objective of performing *quantitative* analysis of a hedge fund track record is twofold: risk analysis and relative return analysis. To allow for the dynamism inherent in a fund's investment strategy, quantitative techniques cannot be applied in a strict and rigid manner, but a healthy dose of common sense and expert judgment is required.

The objective of the Manager's *operational* due diligence process is to provide a transparent overview of the infrastructure supporting the trading strategy in terms of:

- people & organization;
- processes & systems; and
- involvement of third-party service providers.

Crucial elements in the operational risk assessment are reference checks, evaluation of portfolio marking-to-market and Net Asset Value calculations, administrators and prime brokers.

PORTFOLIO CONSTRUCTION AND RISK MANAGEMENT

In its portfolio construction, the Manager is driven by the notion that it can only set the level of portfolio risk, and the market will dictate returns. The Manager does not apply top-down (tactical) allocation based on relative return expectations across the various hedge fund strategies. Rather, the Manager takes a bottom-up approach where risk parameters on the portfolio level determine the allocation across individual hedge funds. Allocation limits to certain strategies, managers and market risks are applied to control concentration risk. This approach to portfolio construction complements the manager selection process, where the Manager strives to select managers that are able to produce positive returns in all market environments. The process embodies an optimization of the portfolio in which the Manager aims to minimize concentration risk by focusing on cross-correlations between managers and strategies. The Manager believes this disciplined, quantitative approach enables it to engineer risk-return profiles that match the clients' needs and preferences.

HEDGING STRATEGIES

The Fund will make use of hedging strategies to hedge the currency risk in a particular Class. It is envisaged that at no point more than 10% of the market value of a Class will be unhedged exposure to another currency than the one in which the Class is denominated. All Classes will be subject to the same investment objectives and strategy but will have a currency hedge strategy linked to the currency of the Class. The related hedging costs and the gains and losses attributable to the hedging transactions will be credited or charged to the Class on behalf of which such transactions are effected.

3. RISK FACTORS AND CONFLICTS OF INTEREST

The value of the investment may fluctuate and investors may receive less than what they have invested.

All fund investments risk the loss of capital. No guarantee or representation is made either that the Fund will achieve its investment objectives or that Participants will not suffer loss. An investment in the Fund is speculative and involves certain risks and conflicts of interest, which prospective Participants should consider before subscribing. The following discusses certain risks and potential conflicts of interest. The list is not exhaustive and other risks and conflicts not discussed below may arise in connection with the management and operation of the Fund. In particular, the Fund's performance may be affected by changes in market conditions, and legal, regulatory and tax requirements. The Manager will be responsible for paying the fees, charges and expenses referred to in this document regardless of the level of profitability.

Risks

Investments

Investment in the Fund is speculative and entails significant risks. The investor should only invest in the Fund if the investor can withstand a total loss of its investment. No guarantee or representation is given that the Fund will achieve its investment objectives.

The Manager asserts that certain investments made by hedge funds may experience financial difficulties, which may never be overcome. Hedge funds may utilize highly speculative investment techniques, including but not limited to leverage and highly concentrated portfolios.

The Fund and its Participants will not have the ability to direct the management of Investee Funds or their underlying portfolio investments. As a result, the returns of the Fund will primarily depend on the performance of independent fund managers and could suffer substantial adverse effects by the unfavorable performance of such fund managers.

There are no assurances that the Fund will be able to invest its capital fully, or that sufficient suitable investment opportunities will be identified. For example, as a result of market fluctuations the Fund may at any time invest a substantial amount in a single Investee Fund so that investment concentration occurs. If the Fund receives distributions in kind from any investment, it may incur additional costs and risks to dispose of such assets.

Volatility

The Fund's investment policy is to operate through Investee Funds whose investment approach may be broadly based, speculative and aggressive. The Fund permits borrowing, as well as high risk investments (including but not limited to investments in options, other high yield securities, etc.) While this may enhance investment performance, as intended, under unfavorable conditions, they can also increase volatility and the risk of loss under other conditions which can and do occur from time to time. Because of the inherently speculative nature of the Fund's intended investment activities, the results of the Fund may be expected to fluctuate from month to month. Accordingly, Participants should understand that the results of a particular period will not necessarily be indicative of results in future periods.

Illiquidity of Portfolio

The redemption of Participations may be limited to 10% per Class in issue on any Redemption Day and the right to redeem may be suspended in the event of market disruption or a breakdown in the means employed to value the assets of the Fund. The Fund's interests in Investee Funds and the investments made by those funds may in certain circumstances be difficult to realize and may be subject to restrictions on transfer. As some of the Investee Funds may offer only limited redemption opportunities, this may adversely impact the means available to meet the redemption of Participations. A (global) market collapse or financial crises may in particular affect the liquidity of the Fund Investments.

Valuation Risk

To the extent that the investments of Investee Funds may in certain circumstances be difficult to realize and may be subject to restrictions on transfer, the sale of any investments may sometimes be possible only at substantial discounts. Further, such investments may be extremely difficult to value. It should be noted that in preparing the Net Asset Value, and the reports of the Fund, the Manager and the Administrator depend on the Investee Funds and their managers and administrators, both in respect of timing and the contents of the reports. Provisional valuations may sometimes have to be applied. The Investee Funds may engage in privately placed less-liquid investment for which no proper valuation may exist until a transaction is executed.

The Net Asset Valuation calculations done by the Administrator, for the reasons noted above, are estimates according to its best judgment (following the method described under 'Portfolio Valuation/Determination of Results') which may not necessarily correspond with the actual net asset value on the relevant date. However, the Fund does not make retroactive adjustments in the Net Asset Values previously used for subscriptions and redemptions. Therefore, such transactions are final and binding when made notwithstanding any different later determination (See also 'Errors in the calculation of the Net Asset Valuation').

Concentration Risk

The Fund may have significant exposure to a limited number of Investee Funds which, in turn, may have significant exposure to a limited number of positions. As a consequence, the value of the Fund may display a high sensitivity to adverse developments in any particular Investee Fund. A high degree of concentration in a limited number of Investee Funds may also lead to a higher level of volatility.

Limitations to redemption

Redemption of Participations may under certain circumstances not be possible. Investment in the Fund should therefore only be considered by persons financially able to maintain their investment for an extended period of time and who can afford a loss of all or a substantial part of their investment. A Participant generally may redeem Participations on a Redemption Day, upon at least 90 calendar days written notice to the Administrator, subject to the conditions and limitations set forth in this Information Memorandum.

Effects of substantial redemptions

Substantial redemptions may affect the value of a Participant's investment. Such redemptions may require the Manager to liquidate the Fund Investments rapidly, which may adversely affect the value of both the Participations being redeemed and the remaining Participations. In addition, the Fund Assets may be substantially reduced, which may make it more difficult for the Fund to generate investment profits or recoup losses and may even cause the Fund to liquidate positions prematurely.

Possibility of fraud, misappropriation or other misconduct

Misconduct by the advisors to the Investee Funds, service providers to the Fund or the Investee Funds and/or their respective affiliates could cause significant losses to the Fund. Misconduct may

include binding the Investee Fund or the Fund to transactions that exceed authorized limits or present unacceptable risks, unauthorized trading activities, concealing unsuccessful trading activities (which, in either case, may result in unknown and unmanaged risks or losses) and fraud. Losses could also result from actions by service providers, including, without limitation, failing to recognize trades and misappropriating assets. In addition, employees of Investee Funds may trade on the basis of material non-public information or otherwise improperly use or disclose confidential information, which could result in litigation or cause financial harm, including limiting the Fund's or an Investee Fund's business prospects or future marketing activities. No assurances can be given that the Manager or the advisors to the Investee Funds, as applicable, will be able to identify or prevent such misconduct.

Custody of an Investee Fund's assets will typically rest with the Investee Fund's broker-dealer or custodian but may also, in some instances, rest with the relevant investor manager of the Investee Fund or its affiliates. Therefore, there is the risk that the party with custody of an Investee Fund's assets could abscond with, or misappropriate, those assets. In addition, information supplied by an Investee Fund's advisor or another party with custody of an Investee Fund's assets may be inaccurate or even fraudulent.

Pursuant to article 6.8 of the Conditions, neither the Manager nor any of its respective directors, employees or affiliates shall be liable towards the Participants for a loss suffered by them as a result of any act or omission of a third party. Moreover, they will not be liable towards the Participants for a loss suffered by them in connection with the performance of its respective duties and responsibilities, unless and to the extent that such loss is directly caused by the gross negligence (*grove schuld*) or willful misconduct (*opzet*) of the Manager.

Various legal forms of hedge funds

The Investee Funds may be organized in various legal forms, including but not limited to, partnerships, corporations and managed accounts. These different legal forms may have different impacts on the liabilities the Fund may incur in relation to investments in these Investee Funds. The Fund may, depending on the legal form of an Investee Fund, be required to pay up additional capital or return profits already distributed to the Fund, thereby negatively influencing the Net Asset Value.

Foreign Exchange Risk

Many of the Investee Funds may be exposed to foreign exchange risk. For Class A Participations, the Fund hedges the currency risk of Fund Assets not denominated in Euro. For all other Classes, the Fund hedges the currency risk of Fund Assets not denominated in the currency of the relevant Class. There can be no assurance that such hedging transactions will be effective.

Debt financing

The Manager may borrow for the account, and at the expense, of the Fund, to finance Fund Assets and Fund Obligations (which include amongst other redemptions). The sum outstanding at any time (excluding the costs in relation to the establishment of the Fund, as mentioned in the section *Establishment Costs*) shall not exceed 30% of the book value of the Fund Assets. The interest rate at which the Fund can borrow affects the operating results of the Fund. Moreover, to the extent that the Fund holds heavily leveraged investments, fluctuations in the market value of those investments may have a disproportionately severe negative impact on the Net Asset Value, as the leverage may cause losses greater than the value of the investments.

International Investments

The Fund anticipates to invest in several Investee Funds which may have different geographical locations and are expected to invest in various geographical locations. As a result, the occurrence of any negative international political, economic or geographical event, such as the unexpected change

in a regulatory environment, international tax issues and political and economic instability, may have a negative result on the performance of the Investee Funds and as such influence the Net Asset Value negatively.

Market collapse

Although hedge funds generally aim for a market neutral investment, a global market collapse will affect the Fund. As a result of disrupted market conditions such as rapid and catastrophic price movement in markets in which the Fund or the Investee Funds invest, determination of the Net Asset Value, the possibility to redeem Participations and the liquidity providers facility could be disrupted, resulting in illiquidity of the Participations during such conditions. Furthermore, a market collapse may have a negative impact on the performance of the Investee Funds and the market value of the other investments of the Fund and therefore may negatively influence the Net Asset Value.

Default of counterparty or issuing institution

Part of the general investment risk includes default of the counterparty of the Investee Funds and/or default of the issuer in whose securities the Investee Funds invest. Furthermore, the Fund has a counterparty risk on (custody) banks when securities and / or monies are placed on an (securities) account with such banks.

Counterparty creditworthiness

To the extent that the Fund engages in principal transactions, including, but not limited to, swap transactions, forward foreign currency transactions, transactions in bonds or other fixed income securities and/or to the extent that the Fund makes use of the services of a counterparty for the custody of its assets, the Fund must rely on the creditworthiness of its counterparty. The Fund must also rely on counterparties in connection with settlement and clearing through banking payment systems. Insolvency of, gross negligence, willful misconduct and/or fraud by the counterparty may prevent payment in part or in full or on time, and may cause losses.

Competition

Gaining access to pooled investment vehicles can be problematic given the high level of investor demand some vehicles receive. The business of investing in eligible Investee Funds for the Fund is highly competitive.

Covid-19 ('coronavirus')

The outbreak of the coronavirus may have continued adverse effects on the global economy, including (1) closures or cancellations of, or reductions in, productions or operations in affected areas, (2) mandatory quarantines and other restrictions on movement, transportation, or travel, (3) decrease in demand for certain products or services, and (4) disruptions to supply chain and other logistical networks. As such, companies with operations, productions, offices, and/or personnel in (or other exposure to) areas affected with the virus may experience significant disruptions to their business which may continue for an unknown period of time. Although the economic effects of the coronavirus provides business opportunities for the Fund, the extent to which the coronavirus will impact and or provide opportunities to the Fund will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the coronavirus, the availability of a vaccine, the regions affected and the actions taken to contain the coronavirus and the (long term) effect thereof, among others.

Default in settlement and clearing system

Participants may run the risk that the clearing and settlement of transactions undertaken for the Fund does not occur as expected, since payment or delivery of the financial instruments by a counterparty does not occur or not in time or as expected.

Risk of custody

If the Legal Owner becomes insolvent, it is theoretically possible that creditors of the Legal Owner that are not creditors of the Fund may seek recovery against the Fund Assets. In practice, however, the Legal Owner will have no creditors that are not creditors of the Fund as the Legal Owner may not perform activities other than those which it performs for the Fund.

The Fund runs the risk that when assets placed in custody with commercial custodians where the Legal Owner maintains securities and/or cash accounts may be lost as a result of the liquidation, bankruptcy, insolvency, negligence of or fraudulent activities by the (sub-)custodian appointed.

Custodial arrangements

The assets of the Fund will be held by the Depositary and the Depositary may delegate the safekeeping of the assets to a third party. The Depositary shall be liable vis-à-vis the Participants as described in the section 'Depositary' below.

No Management Participation by the Participants

Participants will have no right or power to participate in the management or control of the Fund and thus must depend solely on the ability of the Manager with respect to making investments. In addition, Participants will not have an opportunity to evaluate the specific investments made by the Fund or the terms of any investment made by the Fund.

Participant may lose more than initial investment

The Fund is structured as a common contractual fund (*fonds voor gemene rekening*). The Conditions provide that the terms and conditions and the arrangements made in connection thereto do not establish a partnership (*maatschap* or *vennootschap onder firma*) or limited partnership (*commanditaire vennootschap*). Also, a Participant's obligation to pay a consideration for Participations to be issued is a commitment (*verbintenis*) to the Manager and the Legal Owner only. In case the Fund is deemed to be a (separate) partnership, it is not certain whether what has been specified under Article 6.4 of the Conditions, which inter alia states that Participants will not be liable to contribute any sum to the Fund Estate beyond the subscription price for the Participations, can be invoked against third parties. In case Article 6.4 of the Conditions cannot be invoked against third parties, Participants may be liable to contribute any sum to the Fund Estate beyond the subscription price for the Participations.

Risk of changes in legislation

Financial and fiscal legislation and regulation are subject to change. Such changes may be unfavorable to the Fund or the Participants and may negatively influence the results of their investment. For example, a higher level of financial regulation, may lead to higher costs borne by the Fund, which will have a negative impact on the Net Asset Value.

Manager not full time

The Manager may provide investment management, management or advisory services to other funds or clients. The Manager is not obliged to devote its resources exclusively to the Fund. This might influence the performance of the Fund negatively compared to the situation where the Manager devotes all its resources to the Fund.

Achievement of returns

The success of the Fund will depend on the ability of the Manager to identify appropriate Investee Funds and on the ability of the managers of those funds to identify, develop and realize profitable investments. There is no guarantee that the Fund's investments will be successful or that the target

rates of return will be achieved and investment results may vary substantially over time and from period from period.

Sustainability risks:

Investing can lead to adverse impacts on sustainability factors (i.e. environmental, social and governance factors).

Theta does not consider the adverse impacts of its investment decisions on sustainability factors. This is because not all of the fund managers of the Investee Funds take these factors into account and sufficient information on this is therefore not available. Additionally, as the Fund invests globally, the underlying assets may not comply to the level of sustainability reporting that the Manager would need, to be able to consider adverse sustainability impacts.

Sustainability Impacts:

Sustainability risks refer to environmental, social, or governance events or conditions that can have an adverse effect on the Fund's returns and its underlying assets. Examples of sustainability risks include environmental physical risks, compliance with labour standards, anti-corruption measures, and reputational risk. If the asset managers of the Investee Funds do not consider sustainability risks, the value of the assets might decrease, which can negatively influence the results of the Fund. Not all fund managers of the Investee Funds will consider sustainability risks extensively. Theta will monitor the consideration of sustainability risks by the asset managers of the Investee Funds through its due diligence and monitoring process, and will monitor whether they consider these sustainability risks, and to what extent they are prepared for changing regulations in the future. This will take place in both the initial selection process of managers, as well as in periodic monitoring.

Incentive Fee Compensation

Theta is entitled to incentive compensation from the Fund. Managers of the Investee Funds are likely to also receive incentive compensation from the funds they manage. As a result, the fee structure imposed by the Fund may be higher than if a Participant directly invested in the Investee Fund. Moreover, such a compensation arrangement may create an incentive for Theta or the managers of the Investee Funds to make investments that are riskier or more speculative than would be the case if such an arrangement were not in effect.

Diverse Participants

Participants are expected to include persons or entities organized in various jurisdictions and subject to various tax regimes. As a result, conflicts of interest may arise in connection with decisions made by Theta that may be more beneficial for one type of Participant than for another type of Participant. In selecting investments appropriate for the Fund, Theta will consider the investment objectives of the Fund as a whole, not the investment objectives of any Participant individually.

Multiple Layers of Expense

The Fund and the Investee Funds each have expenses and management costs that will be borne, directly or indirectly, by the Fund. However, due to long standing relationships that Theta has established with the Investee Funds, it may be able to negotiate fee reductions, which will be for the benefit of investors with the aim to reduce fees as best as possible.

Conflicts of interest

In the ordinary course of business, Theta and its affiliates are engaged or may be engaged in the management and the advisory of other investment funds or portfolios of hedge funds, where its interests or the interests of its clients may conflict with the interests of the Participants.

Conflicts of interest may also arise if Theta and / or its affiliates become subject to any merger or acquisition. Theta and its affiliates will, on a best efforts basis, attempt to serve the Participants' interests to the best possible extent should a conflict of interest arise. In order to avoid any potential conflict of interest Theta Capital will in its capacity as discretionary asset manager not invest on behalf of its clients in the Fund.

Neither the Manager nor its affiliates are under any obligation to share any investment opportunity, idea, or strategy for the benefit of the Fund, and may compete with the Fund for appropriate investment opportunities. Furthermore, the Manager will be entitled to incentive compensation from the Fund and such compensation arrangement may create an incentive for the Manager to make investments that are riskier or more speculative than would be the case if such arrangement was not in effect.

By acquiring Participations, each Participant will be deemed to have acknowledged the existence of such actual and potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict.

Other Investment Funds

Theta or its affiliates are, or may in the future be, the fund manager or investment adviser of other investment funds or pooled investment vehicles of other clients which may have similar objectives as the Fund.

4. FUND STRUCTURE

The Fund

The Fund is organized as a common contractual fund (*fonds voor gemene rekening*). The Fund is subject to Dutch law. The Fund has been established on January 1, 2022, with an indefinite term.

The Fund may issue Participations on each particular Valuation Day. All benefits and burdens, beneficially attached to the ownership of the Fund Estate relating to the Fund, shall be in favor or for the risk and account of the Participant.

Common contractual fund

Under Dutch law, a common contractual fund may be considered a contract *sui generis*. The management and custody of the assets of the Fund are governed by the Terms and Conditions. The Terms and Conditions provide that the arrangements made in connection thereto do not establish a partnership (*maatschap or vennootschap onder firma*) or limited partnership (*commanditaire vennootschap*). Dutch case law and scholars, however, have occasionally deemed common contractual funds to be partnerships (*maatschappen*). Whether a common contractual fund is deemed a partnership or not is of particular importance for the applicability of the legal – statutory - provisions concerning partnerships. One of the most important provisions concerns the pro rata shared liability of the partners in a partnership for obligations assumed in the name of the partnership. In case the Fund is deemed to be (separate) partnership(s), it is not certain whether what has been specified under Article 6.5 of the Terms and Conditions can be invoked against third parties. In view of the investment policy of the Fund it is not foreseeable that, in practice, a situation will occur in which a Participant is liable for more than its Commitment.

History of the Fund

The Fund has two predecessor funds with the same investment policy. The initial fund was launched on February 1st, 2010, under the same name as the Fund, which fund was succeeded by Theta Legends XL Fund on March 1, 2011, a Euronext Amsterdam listed fund, which was renamed Legends Fund. Legends Fund was delisted and liquidated on January 1, 2022, but effectively continued through a merger with the Fund pursuant which the assets of Legends Fund have been contributed to the Fund against the issue of Participations. The initial price at which Participations will be issued at inception of the Fund will be fixed at the last net asset value of Legends Fund.

Fund Management

The Fund is managed by Theta, a private limited-liability company under Dutch law with its statutory seat in Amsterdam, The Netherlands. The Manager delegates certain operational aspects of the management of the Fund to Theta Capital.

The Manager is a manager of alternative investment funds specialising in the management of collective investment institutions. The Manager has obtained an authorisation as referred to in Section 2:65 of the Act. Beside the Fund, Theta also manages Theta Distressed Credit Opportunities Pool, Theta Blockchain Ventures and Theta Blockchain Ventures II. The Manager is pursuant its license subject to the requirements of the AIFMD and the Act, and the further regulations promulgated thereunder, including, inter alia, the requirement to maintain at all times a minimum level of own assets (*eigen vermogen*) of EUR 125,000. In order to cover professional liability risks, Theta maintains additional own funds in accordance with Article 14 of AIFMD Regulation (EU) 231/2013.

Both Theta and the Fund are subject to the permanent supervision of the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten / AFM*) and the Dutch Central Bank (*De Nederlandsche Bank / DNB*).

The Manager aligned its risk structure in accordance with the applicable legislation (Article 80 AIFMD Regulation). The Manager separated the responsibility for risk management within its organization. In accordance with the AIFMD Regulation, a distinction is made between risks with regard to the investment funds and risks with regard to the organization of Theta.

Solely Theta is responsible for the management of the Fund. In carrying out its task, Theta acts exclusively in the interest of the Participants. The management and administration of the Fund encompasses investing the Fund Assets in accordance with the Conditions and all activities in connection therewith.

Legal Owner

Stichting Bewaarbedrijf Legends XL Fund (the “Legal Owner”) will be acting as legal owner (*juridisch eigenaar*) of the Fund Assets and Fund Obligations (the “Fund Estate”). The Legal Owner is not supervised by a regulatory authority. The Legal Owner’s statutory purpose is to act solely as legal owner of the Fund Assets.

The Legal Owner was established on 25 July 2014 and is registered with the Trade Register of the Chamber of Commerce under no. 61161667. The board of the Legal Owner consists solely of Theta.

Notwithstanding the liability of the Manager for certain losses, the Legal Owner shall only be liable towards the Fund and the Participants for direct losses suffered to the extent that the losses result from culpable non-performance or defective performance of its obligations, also in case the Legal Owner delegated the custody of Fund Assets in whole or part to a third party.

Depositary

The Manager appoints, also for the benefit of the Fund and the Participants, a depositary pursuant to Section 4:62m of the Act (the “Depositary”). To that end, Theta has entered into a depositary agreement with Northern Trust Global Services SE, Amsterdam branch. The branch forms part of a *Societas Europea* incorporated under Luxembourg law. Northern Trust Global Services SE carries out its duties from the Dutch branch that was established on 23 December 2005 and is registered in the Dutch trade register under number 34247992. Northern Trust Global Services SE is registered in the Registre de Commerce et des Sociétés in Luxembourg under number B232281.

The Depositary is charged with the tasks as set out in Article 21(7)-21(9) and 21(17)(c) AIFMD. Under the rules of the Act and AIFMD the Depositary shall safeguard the interests of the Participants. Its most important tasks are:

- (i) ensuring that the sale, issue, repurchase, redemption and cancellation of Participations are carried out in accordance with the Conditions and the applicable legislation and regulations;
- (ii) ensuring that the value of Participations is calculated in accordance with the Conditions, the applicable legislation and regulations and the valuation principles;
- (iii) carrying out the instructions of the Manager, provided such instructions do not conflict with the Conditions or applicable legislation and regulations;
- (iv) ensuring that any consideration payable in respect of any transaction involving any assets of the Fund is remitted to the Fund within the usual time limits which accord with acceptable market practice in the context of the particular transaction and, where transactions do not take place on a regulated market, within the usual time limits assessed having regard to the conditions attached to the transactions; and
- (v) ensuring that the Fund’s income is applied in accordance with the Conditions and the applicable legislation and regulations.

The Depositary shall only be liable towards the Fund and the Participants for losses suffered by them to the extent that the losses result from:

- (i) loss of financial instruments that can be held in custody, as defined under article 21(8)a AIFMD) (unless the Depositary can demonstrate that such loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary (*ondanks alle inspanningen om ze te verhinderen*)); and
- (ii) for all other losses as a result of the Depositary's negligent or intentional failure to properly fulfill its obligations pursuant to the AIFMD (*niet naar behoren nakomen van zijn verplichtingen als gevolg van opzet of nalatigheid*).

If liable, the Depositary shall compensate the Fund for damages suffered. In the case of a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of identical type or the corresponding amount to the Fund or the Manager without undue delay.

In case the Depositary does not fulfill its duty to compensate in accordance with the AIFMD, Participants may claim their damages from the Depositary themselves. Any such claim needs to be submitted in writing to the Manager, who thereupon (for the account and risk of the Fund) will take the necessary actions towards the Depositary. If the Manager is of the opinion that the Depositary is not liable, it will inform the Participants thereof in writing. Participants who disagree with this opinion, are entitled (for their own risk and account) to claim directly from the Depositary or the relevant delegate of the Depositary. If Theta, for whatever reason, does not take the required actions against the Depositary, or does not do so adequately or vigorously enough, the Participants will be entitled to take those actions themselves.

The Fund, Theta and the Participants will only have recourse to the equity of the Depositary and not to assets it holds in custody for parties other than the Fund.

Management and custody agreement

The terms and conditions of the agreement between Theta and the Legal Owner concerning the management and custody of the Fund are laid down in the Conditions included herein as Exhibit I.

The Administrator

Theta has appointed Apex Fund Services (Netherlands) B.V. as administrator of the Fund (the "Administrator"). The Administrator will perform all general administrative tasks for the Fund, including the preparation of valuations, keeping of financial records and maintaining the Register. The Administrator shall receive an annual fee calculated in accordance with its customary schedule of fees and is also entitled to be reimbursed for all out of pocket expenses properly incurred in performing its duties as administrator of the Fund.

The Administrator provides administrative services required in connection with the Fund's operations, including, compiling and publishing the Net Asset Value, providing registrar and transfer agent services in connection with the issue and redemption of Participations and collecting subscription payments and disbursing redemption payments.

Under the Administration Agreement, the Administrator will not, in the absence of gross negligence, willful default or fraud on the part of the Administrator, be liable to the Fund or to any Participant for any act or omission, in the course of, or in connection with providing services to the Fund or for any losses, claims, damages, liabilities and expenses or damage which the Fund may sustain or suffer as a result of, or in the course of, the discharge by the Administrator or its duties pursuant to the Administration Agreement.

Under the Administration Agreement, the Fund will indemnify the Administrator to the fullest extent permitted by law against any and all judgments, fines, amounts paid in settlement and reasonable expenses, including legal fees and disbursements, incurred by the Administrator, save where such actions, suits or proceedings are the result of fraud, willful misconduct or gross negligence of the Administrator.

In accordance with the terms of the Administration Agreement, the services of the Administrator may be terminated by at least 90 days written notice from either the Manager or the Administrator (or such shorter notice period as the parties may agree to accept) or earlier on the liquidation of either the Manager or the Administrator.

Term of the Fund

The Fund has an indefinite term. Theta may terminate the Fund or a Class at any time, subject to a notice of at least three months to the Participants. Upon dissolving the Fund or a Class, the cash proceeds from liquidation of the interests in the Investee Funds will be distributed to the Participants.

Distributions

Theta shall have sole discretion whether to distribute any income of the Fund or whether to retain it within the Fund. All investment gains, paid out dividends or other distributions by Investee Funds will be reinvested within the Fund. However, Theta has the option to make distributions, these shall be made to Participants in the relevant Class, pro rata to their Participations.

Outsourcing

The general administration of the Fund is delegated by Theta to Apex Fund Services (Netherlands) B.V. as third party administrator. Services of the Administrator include processing the subscription and redemption of Participations, maintaining all appropriate investor registers and ledgers, preparing and maintaining financial and accounting books and records and maintaining the Fund's principal administrative records. The calculation of the Net Asset Value is also outsourced to the Administrator. Theta however remains responsible and liable for the Net Asset Value as calculated and monitors the Net Asset Value determination process (See page 31: *Portfolio Valuation/Determination of Results*).

Applicable law

The legal relationship between the Fund and the Participants is in principle governed by Dutch law. The Terms and Conditions and the Information Memorandum are expressed to be governed by the laws of the Netherlands. The applicable legal provisions are in particular included in the Dutch Civil Code, the Act and the AIFMD. Other than pursuant to the Conditions and the law, the Participants do not have any rights against the Manager, Legal Owner, Depositary or parties that provide services to the Fund. Decisions of a Dutch court or judicial body can be enforced against the aforementioned parties in accordance with the provisions of Dutch law. Decisions of non-Dutch courts or judicial bodies can be recognized and enforced in accordance with the applicable treaties and regulations.

5. PARTICIPATIONS, SUBSCRIPTION AND REDEMPTION

PARTICIPATIONS

All Participations will be subject to Dutch law. Participants do not have a pre-emptive right on newly issued Participations. No Participant approval is required for the issue of additional Participations.

The Participations will initially be issued against a fixed issue price to be determined by the Manager and at the Net Asset Value thereafter. The Participations do not have a nominal value.

Participations shall be issued in integral numbers. The Manager may issue Participations in fractions rounded off up to three decimals.

SUBSCRIPTION AND REDEMPTION

General

The Fund is a common contractual fund. Redemption of Participations is only possible under certain restrictive conditions as stated in this Information Memorandum.

Subscription for Participations is subject to the limitations and conditions as stated in this Information Memorandum.

Requests for subscriptions and redemptions should be addressed to the Administrator. The Administrator acts as disbursing and receiving facility for the Fund in connection with subscriptions for and redemptions of Participations.

Subscriptions

Subscriptions for the Participations can be made each Valuation Day and are accepted at the Net Asset Value of the respective Class on such Valuation Day. Multiple subscriptions by a Participant are allowed and will be processed as normal subscriptions. The Participations will be issued at the Net Asset Value at the first available Net Asset Value date following the date the subscription was received by the Manager.

Unless otherwise determined by the Manager, the minimum value of Participations which may be the subject of one subscription will be EUR 100,000 or the equivalent thereof in the relevant other currency of the Class.

To subscribe for Participations, a prospective Participant must:

- complete and execute an application form, which can be downloaded from www.thetacapital.com;
- send this form to the Administrator before the Valuation Day on which the Participant wants to enter the Fund; and
- transfer the total subscription amount to a bank account (as specified on the application form), specifying the desired Class, if any, before the Valuation Day on which the Participant wants to enter the Fund, unless it is otherwise agreed by the Manager. The

Participations will not be issued to the prospective Participant before the subscription amount has been transferred.

The Manager endeavors to provide deal confirmations via e-mail to prospective Participants within 12 Business Days receipt of the subscription form. A (prospective) Participant may withdraw a subscription partially or in whole prior to the Valuation Day on which the Participant is set to enter the Fund. Dealing in the Participations will not be possible before the Participations have been credited to securities account of the Participant. Although subscription to the Participations is open for everyone interested in investing in the Fund, the Manager reserves the right to accept or reject any application in its sole discretion. Prerequisite for acceptance of applications is that the potential investor provides the information as requested by the Manager, inter alia, relating to his antecedents, so as to comply with Dutch anti-money laundering and anti-terrorism regulations. Compliance with such regulations, may lead to the rejection of an application.

The Fund may temporarily suspend the issuance of Participations at any time at the discretion of the Manager. As soon as the Fund has decided to suspend the issue of Participations, the Administrator will inform those prospective Participants who have submitted an Application Form, but to whom Participations have not yet been issued, about the temporary suspension of subscriptions. Any amounts paid for the subscription price will be reimbursed to the prospective Participant without interest.

Participations shall be issued in integral numbers and shall be registered in the name of the Participant and registered as such in the register of the Fund. The Manager may issue Participations in fractions rounded off up to four decimals.

Redemptions

Participations, including fractions thereof, may be redeemed on a Valuation Day (pursuant to written notice, which must be received by the Administrator by 18:15 hours (Amsterdam time) at least 90 calendar days prior to the Valuation Day). Once a redemption request has been accepted by the Fund, any costs incurred as a result of withdrawal of the redemption request will be charged to the Participant.

The Manager is not obliged to redeem more than 10% of the total outstanding Participations in a Class in issue on any Redemption Day. Issuance and redemption of Participations may be suspended by the Manager in the event of, inter alia, market disruption or breakdown of means of valuing the Fund.

Unless otherwise determined by the Manager, the minimum value of Participations which may be the subject of one redemption request will be EUR 10,000 (or the equivalent thereof in the relevant other currency of the Class).

Redemptions are paid at the Net Asset Value of the respective Class as of the close of business of such Valuation Day, less the redemption charge payable to the Fund.

The Manager endeavors to provide deal confirmations to Participations within 3 Business Days after the relevant Valuation Day of redemption and to distribute redemption proceeds to Participant ordinarily within 3 Business Days, but in any event not later than 30 Business Days after the Valuation Day.

Pro rata entitlement

Each Participant shall be beneficially entitled to the Fund Estate pro rata to the number of its Participations. All benefits and (subject to Article 6.4 of the Conditions) burdens, beneficially

attached to the ownership of the Fund Estate, shall be in favor and for the account of each Participant pro rata to the number of its Participations.

Form

Participations shall be in registered form only. Certificates shall not be issued.

Transferability

No assignment, sale, transfer, or other disposition of a Participation (whether voluntary or involuntary) shall be valid or effective. Participations cannot be made subject to any pledge, mortgage, usufruct, charge, lien, retention or other encumbrance (*beperkt recht*) of any nature whatsoever.

Voting rights

Each Participation entitles the holder thereof to one vote in a meeting of Participants.

Listing

Participations will not be listed or traded on any regulated market, multilateral trading facility or any other trading platform.

6. FEES, COSTS AND EXPENSES

This section provides a summary of article 11 of the Terms and Conditions. Please note that the latest financial annual report is incorporated by reference in this Information Memorandum. Reference is made to the annual report as regards actual costs incurred by the Fund.

The fee structure relating to the Fund is as follows:

MANAGEMENT FEE

The Manager shall be entitled to an annual Management Fee of 0.625% of the aggregate Net Asset Value of a Class. The Management Fee shall accrue on each Valuation Day by reference to the Net Asset Value on that day and be paid quarterly in arrears on the last Business Day in each of March, June, September and December.

INCENTIVE FEE

The Manager shall be entitled to an annual Incentive Fee calculated per Class equal to 5% of the amount by which the Net Asset Value at the end of the financial year of the Fund exceeds the highest Net Asset Value that a Class has reached at the end of any previous financial year provided such Net Asset Value is higher than the price at which the Participation of such Class has initially been issued (the “High Water Mark”).

In calculating the Incentive Fee in an absolute amount:

1. an equitable adjustment shall be made for Participations subscribed and redeemed during the financial year; and
2. any distributions paid to Participants during the financial year shall be added back.

The Incentive Fee shall be payable to the Manager as to 90% of the estimated amount thereof one month after the end of the relevant financial year. The balance shall be payable within 14 days following completion of the audit of the accounts for the relevant financial year. On redemption of Participations during the year an amount equal to the Incentive Fee accrued to the date of redemption in respect of such Participations shall be due to the Manager.

No Incentive Fee is charged when the Net Asset Value, including distributions, at the end of a financial year is below the High Water Mark. All fees are excluding VAT, if and when due.

COSTS

Depository and Administration Fees

The fees of the Depository and the Administrator shall be borne by the Fund. The current annual fee charged by the Depository equals €20,000.

The current annual fee charged by the Administrator equals 0.045% with a minimum fixed fee of €24,000. All fees are excluding VAT, if and when due. During the life of the Fund Theta may negotiate changes in these fees without the consent of Participants being required.

Overhead Costs

Theta shall provide, at its own expense, office facilities and staff to facilitate the carrying on of the activities of the Fund.

Establishment Costs

The cost related to the establishment of the Fund and the Legal Owner, including costs of the AFM, will up to a maximum of EUR 50,000 be for the account of the Fund. The establishment costs will be amortised over a period of 24 months from the establishment of the Fund.

Expenses and Operating Costs

Operating expenses shall be borne by the Fund, including (but not limited to), costs relating to the acquisition and disposal of investments, the fees and expenses of such attorneys, agents, lawyers, accountants or other advisers as Theta may deem necessary or advisable in relation to the affairs of the Fund, costs relating to the administration of the Fund, advertising and printing expenses, tax compliance costs, the costs of meetings of Participants, auditors' fees, any taxes due by the Fund, interest, bank charges and litigation related expenses.

Audit and other professional fees

The annual audit fees of the Fund are estimated to be approximately to be €20,000 (excluding VAT). Other professional fees are estimated to be approximately €20,000 to €25,000 per year. (excluding VAT).

Supervisory Costs

Levies of supervisors and costs related to supervision, including fees due by the Manager based on the Fund assets under management, are borne by the Fund. The actual supervisory costs due by the Fund vary each year and will be included in the annual accounts.

7. THETA

General

Theta Capital Management B.V. (“Theta Capital”) is an independent discretionary asset manager and investment advisor concentrating exclusively on investing in alternative investment funds and is licensed with the AFM under article 2:96 of the Act. Theta Capital is a private limited liability company with its statutory seat in Amsterdam, The Netherlands, incorporated on May 28, 2001, and registered with the Trade Register of the Chamber of Commerce under no 34150519.

Theta is a wholly owned and fully integrated subsidiary of Theta Capital. Theta is a private limited liability company with its statutory seat in Amsterdam, The Netherlands, incorporated on May 9, 2001, and registered with the Trade Register of the Chamber of Commerce under no 27198870. Theta manages a range of collective investments schemes. Next to Theta Legends Fund, Theta manages Theta Blockchain Ventures, Theta Blockchain Ventures II and Theta Distressed Credit Opportunities Pool.

The statutory directors of both Theta and Theta Capital are Mr. Marc de Kloe and Mr. Ruud Smets. Mr. Tijo van Marle is a supervisory director of Theta.

History Theta

Theta is operationally integrated with Theta Capital of which Theta is wholly owned and fully integrated subsidiary. Theta Capital is an independent discretionary asset manager and investment advisor concentrating exclusively on investing in alternative investment funds. Theta Capital was founded in 2001.

Theta Capital started investing for its clients in September 2001. Historically, Theta’s clients are mainly the 'classic' alternative investment investors, being high net worth private individuals, and family offices, but an increasing part of the assets is managed on behalf of institutional investors. Since its inception Theta Capital has managed separate individual portfolios of hedge funds and alternative investments for its clients. It continues to do so.

Theta Capital invests across all main alternative investment fund strategies on behalf of its clients.

Investment Process

In its investment process, Theta takes a predominantly bottom-up approach reflecting its profound belief that fund managers are well equipped to capitalize on varying market conditions. In other words, Theta does not actively manage its portfolios according to pre-formulated return expectations. Rather, Theta strives to select managers that have proven the ability to successfully exploit investment opportunities across various market environments. This approach endeavors to provide Theta’s clients with capital appreciation and to take advantage of the dislocations in the markets.

Manager Selection and Due Diligence

The objective of Theta’s manager selection process is to identify fund managers with superior investment skills that have proven to operate successfully through different market environments. The selection process entails three levels of analysis, each with its own information requirements, documents and criteria. The selection process is supported by several databases, a qualitative information system and various tools (some proprietary) for quantitative fund analysis and stress-testing. Theta’s more than 20-year experience in hedge fund and alternative investment due diligence provides a valuable edge when investing in alternative investment funds

Portfolio Construction and Risk Management

In its portfolio construction, Theta seeks to maximize exposure to potential areas of opportunity, adding specialized managers to the extent they offer exposure to additional opportunity sets. By focusing on established managers and extensive manager due diligence, Theta seeks to minimize manager specific business risks, reducing the need for multiple managers in specific sub-strategies. The Manager looks to allocate to managers that have expertise and relationships in different geographies, across different industries, different instruments and different focus areas in general.

Management Team

Short biographies of the persons involved with the management of the Fund are provided below.

Ruud Smets, CAIA joined Theta in 2005 and is responsible for investments. He worked at the interest rate derivatives desk of NIBCcapital before joining Theta. Prior to joining NIBCcapital in 2004 Ruud worked at FundPartners, a company focusing on structured product solutions and hedge fund investments for institutional investors, where he was responsible for the hedge fund allocation of a large Dutch pension fund. Ruud has obtained his master's degree in Business Economics and Information Technology from Tilburg University in 2002 and is a Chartered Alternative Investment Analyst (CAIA). Ruud has successfully completed the Oxford Blockchain Strategy Programme and has been vigorously studying blockchain technology since mid 2017. He has been a director of Theta since September 2013.

Marc de Kloe joined Theta in 2019 is responsible for risk and compliance. Marc has an extensive investment background covering the full range of alternative investments. Marc started at Clifford Chance in Germany as a foreign associate in private equity, more recently as Global Head of Funds and Alternatives at ABN AMRO Private Banking based in Amsterdam and finally as COO of Adamas Asset Management, a Hong Kong based Private Credit Manager. In addition, Marc co-founded Alternatives4Children, an industry supported charity raising money for children's education. Marc holds an LL.B in English and German Law from the University of Kent, Canterbury (U.K.) in 1996, an LL.M in European Business Law from the University of Amsterdam in 1999 and an MBA from the Vlerick Business School in Belgium in 2004. He has been a director of Theta since December 2020.

Supervisory Board

Tijo van Marle obtained a Master of Business Administration (MBA) degree from the Harvard Business School in 1966. He subsequently worked as an investment banker at Pierson, Heldring & Pierson in Amsterdam (1967-1972), J. Henry Schroder Wagg & Co in London as Director International Capital Markets (1972-1982) and in Hong Kong as Managing Director (1982-1984) and from 1984 to 2001 as Managing Director at Credit Suisse First Boston in London and Amsterdam. He has been a director of Theta from January 2001 until December 2020 and a supervisory director since then.

8. REPORTING AND INFORMATION

Financial year

The financial year of the Fund coincides with the calendar year.

Periodical reports

Theta will prepare quarterly and annual reports on the Fund's portfolio. The reporting currency is the euro.

It should be noted that for the quarterly and annual reports, Theta depends on the administrators of the Investee Funds, both in respect of timing and the contents of the reports. Provisional valuations may sometimes have to be applied and are based on information supplied by the Investee Funds. As soon as audited annual accounts of the Investee Funds are available, any provisional information will be reviewed and necessary adjustments will be made.

Monthly

As soon as reasonably practicable following the last calendar day of each month, pursuant to the periodic disclosure requirements under the AIFMD, if and when applicable and to the extent relevant, Theta will include the following items in a monthly report which will be published on the Website:

- the percentage of the Fund's assets which are subject to special arrangements arising from their illiquid nature;
- any new arrangements for managing the liquidity of the Fund;
- changes to the risk profile of the Fund and the risk management systems employed by Theta to manage those risks; and
- to the extent leverage is employed by the Fund: (i) any changes to the maximum level of leverage which Theta may employ on behalf of the Fund as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement; and (ii) the total amount of leverage employed by the Fund.

Quarterly

A written narrative detailing the investment outlook and market commentary.

Annual report

The annual report of the Fund will include the information required pursuant to the Act and the AIFMD.

The annual report will be audited and prepared within 6 months after the end of each financial year. The annual report will be audited by a reputable auditing firm. The annual report includes:

- balance sheet;
- income statement;
- explanatory notes;
- statement of the investments acquired, sold or otherwise disposed of during the financial year and a report by Theta expressing its opinion on the value of the investments held at the end of the financial year; and
- a specification of the composition of the Fund by Investee Funds in percentages of the portfolio for all Investee Funds which represent more than 5 % of the value of the Fund.

The annual accounts of the Fund are in principle based on audited annual accounts of the Investee Funds. Deviation from this general rule is possible when the audited accounts of the Investee Funds

are not received in time. If that is the case, and also in the case that an Investee Fund has a different year-end date, an estimate of the Net Asset Value of that particular Investee Fund provided by that Investee Fund will be used.

The auditor of the Fund will be asked to express an opinion about the relevance of the use of this estimate for the accuracy of the accounts of the Fund.

All reports relating to the Fund will be sent to each Participant's (electronic) address.

PORTFOLIO VALUATION / DETERMINATION OF RESULTS

Each Valuation Day, the Manager will determine the Net Asset Value of each Class in accordance with article 12.1 of the Conditions and publish this on the Website.

The Manager shall be entitled, at its discretion, to apply a method of valuing any investment different from that prescribed hereunder if such method would in its opinion reflect the fair value of an investment best. The Manager may rely upon opinions and estimates of any persons who appear to it to be competent to value investment of any type or designation by reason of any appropriate professional qualification or experience of the relevant market. In determining the amount of liabilities the Manager may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.

The Administrator calculates the Net Asset Value of a Participation by dividing the aggregate fair market value, according to International Financial Reporting Standards, of the total assets attributable to the relevant Class minus the debts, obligations and liabilities attributable to that Class by the number of Participations outstanding in that Class.

For the purposes of determining the Net Asset Value of a certain Class, any assets or liabilities in currencies other than the denomination of the Class will be converted into the denomination of the Class at the rate (whether official or otherwise) which the Manager shall in its absolute discretion deem appropriate to the circumstances having regard, inter alia, to any premium or discount which it considers may be relevant and to the costs of exchange at the time of determination of the Net Asset Value. In addition the foregoing the Manager shall take all necessary differences into account to determine the Net Asset Value.

The Fund's investments in Investee Funds will be valued based on the reporting received from the administrators of those funds, unless considered inappropriate by the Manager. The value of investments in Investee Funds will generally be taken as the aggregate of the Fund's attributable share of the latest available net asset value of such Investee Funds, where it is the intention to base the Net Asset Value of a Class on the fair value of the financial assets and liabilities of the Fund. The Manager may, if it thinks fit, make adjustments as a result of the different bases of valuation applied by the Investee Funds, which will be reflected and explained in the accounts. The establishment costs will be capitalized and amortized over a 2-year period. For a corresponding amount, a legal reserve will be held. The Fund's other assets and liabilities will generally be valued at nominal value, unless a permanent impairment occurs.

The result of the Fund on its Investee Funds will generally be taken as the aggregate of the Fund's attributable share of the result of the Investee Funds. The Manager may, if it thinks fit, make adjustments as a result of the different bases of determination of results applied by the Investee

Funds, which will be reflected and explained in the accounts. The results made on the Fund's other assets and liabilities will generally be taken into account in the period to which they relate.

Where an up-to-date value of an Investee Fund is not available, or the valuation date does not coincide with that of the Fund, the Manager will use an estimated value.

It should be noted that in preparing the Net Asset Value and the reports of the Fund, the Manager depends on the fund managers of the Investee Funds and their administrators, both in respect of timing and the contents of the reports. Provisional valuations may sometimes have to be applied. The Net Asset Value calculations done by the Administrator, for the reasons noted above, are estimates according to its best judgment, which may not necessarily correspond with the actual Net Asset Value on the relevant date. However, the Fund does not make retroactive adjustments in the Net Asset Values previously used for subscriptions and redemptions. Therefore, such transactions are final and binding when made notwithstanding any different later determination. See also "Errors in the calculation of the Net Asset Value".

Investments other than in Investee Funds, will be valued against their market value. The market value will be determined by the published closing price of the relevant security on a securities market on the business day preceding on which the Net Asset Value is published. If the relevant securities are not listed, or a closing price of that security has not been published the day business day preceding on which the Net Asset Value is published, the value of relevant security will be estimated.

Fund Assets and Obligations which consist of bank balances, accrued but not distributed interests, dividend payments that have been made payable, but not yet have been distributed, activated costs and possible provisions, will be valued at their nominal value.

Assessment and publication of the Net Asset Value

The Manager has delegated the calculation of the Net Asset Value to the Administrator. The Net Asset Value will be calculated as at the close of each Business Day. The Net Asset Value of a Participation will be calculated in accordance with the terms as included in this Information Memorandum. The Net Asset Value is published on the Website.

Errors in the calculation of the Net Asset Value

If an error occurs in the calculation of the Net Asset Value and transactions take place based on this inaccurate Net Asset Value, the Manager will investigate the matter in consultation with the Administrator and recommend if and by whom compensation should be paid. However, the Fund does not make retroactive adjustments in Net Asset Values previously used for subscriptions and redemptions. Therefore, such transactions are final and binding when made, notwithstanding any different later determination. See also *Valuation Risk*.

Notice of distributions

The announcement of payment of distributions, if any, the composition of the distributions and the way the distributions will be paid, shall be sent to the (electronic) addresses of Participants.

9. TAXATION / LEGAL

Taxation General

Prospective Participants are urged to consult their own professional advisers regarding the possible tax and legal consequences of acquiring, holding or disposing of Participations under the laws of the jurisdictions of which they are citizens, residents or domiciliaries and in which they conduct business. The Fund has been structured so as to reduce as much as possible the additional tax cost compared to a direct investment by the Participants in the Investee Funds (which generally are not directly accessible to the Participants).

Taxation of the Fund

The Fund aims to qualify as a common contractual fund that is not subject to corporate income tax (i.e. transparent for Dutch tax purposes). Theta shall use reasonable endeavors to assist Participants in obtaining the benefit of any tax exemptions applicable to investments made by the Fund and any tax refunds available in respect of tax withheld from sums receivable by the Fund. Theta shall not be obliged to seek any exemption or refund where the effort or expense would be disproportionate to the sums likely might be recovered. If Theta thinks fit, the amount distributable to any Participant may take into account the availability of tax exemptions or refunds attributable to him and to the rate of withholding applicable to him.

Taxation of Participants – The Netherlands

General

Please note that the summary in this section does not describe the Netherlands tax consequences for Participants if such Participants, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest (*aanmerkelijk belang*) or deemed substantial interest in the underlying investment(s) of the Fund under the Netherlands Income Tax Act 2001 nor for pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) (as defined in the Netherlands Corporate Income Tax Act 1969) and other entities that are exempt from Netherlands corporate income tax.

Residents of the Netherlands

Generally speaking, if a Participant is an entity that is a resident or deemed to be resident of the Netherlands for Netherlands corporate income tax purposes, any income derived from the Fund or any gain or loss realized on the disposal, or deemed disposal, of the investment in the Fund is subject to Netherlands corporate income tax at a rate of 25,8% (a corporate income tax rate of 15% applies with respect to taxable profits up to EUR 395,000, the bracket for 2022).

If a Participant is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes, any income derived from the Fund or any gain or loss realized on the disposal, or deemed disposal, of the investment in the Fund is taxable at the progressive income tax rates (with a maximum of 49.5%), if:

- (a) the investment in the Fund is attributable to an enterprise from which the Participant derives a share of the profit, whether as an entrepreneur or as a person who has a co-entitlement to the net worth of such enterprise without being an entrepreneur or a shareholder (as defined in the Netherlands Income Tax Act 2001); or
- (b) the Participant is considered to perform activities with respect to the investment that go beyond ordinary asset management (*actief vermogensbeheer*) or derives benefits from the Fund that are (otherwise) taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

If the abovementioned conditions (a) and (b) do not apply to a Participant who is an individual, resident or deemed to be resident of the Netherlands for Netherlands income tax purposes, such Participant will be taxed annually based on a deemed return on income from savings and investments (*sparen en beleggen*) rather than on the basis of income actually received or gains actually realized. As a result, the value of the investment of the specific individual investor on January 1 is partly subject to an assumed yield of 0.03% and partly to an assumed yield of 5.53% (2022) insofar as the individual's yield basis exceeds a certain threshold (*heffingsvrij vermogen*). The assumed yield would be taxed against a tax rate of 31%.

Non-residents of the Netherlands

A Participant who is neither resident nor deemed to be resident of the Netherlands would not be subject to Netherlands taxes on income or capital gains in respect of any income derived from the Fund or in respect of any gain or loss realized on the disposal or deemed disposal of the investment in the Fund, provided that:

- (a) such Participant does not have an interest in an enterprise or deemed enterprise (as defined in the Netherlands Income Tax Act 2001 and the Netherlands Corporate Income Tax Act 1969, including, but not limited to, article 17-3-c) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the investment in the Fund is attributable;
- (b) in the event the Participant is an individual, such Participant does not carry out any activities in the Netherlands with respect to the investment in the Netherlands that go beyond ordinary asset management and does not derive benefits from the Fund that are (otherwise) taxable as benefits from other activities in the Netherlands; and
- (c) such Participant does not have an interest in an enterprise in the Netherlands and to which enterprise the investment in the Fund is attributable other than by way of the holding of securities and is not a managing director or part of a supervisory board of an enterprise in the Netherlands.

Withholding tax

To the extent the Fund invests in Dutch resident entities, Dutch dividend withholding tax may be due upon dividends distributed by these entities via the Fund to the Participants. The dividend withholding tax rate may be reduced under the applicability of a tax treaty concluded by The Netherlands and the jurisdictions of which the Participants are tax resident.

Also withholding tax may be due in case of investments by the Fund in assets outside the Netherlands for which foreign jurisdictions have the taxation rights. Next to that the Netherlands may introduce in the near future new withholding taxes on interest and royalties paid to certain low tax jurisdictions by Dutch entities subject to the Dutch corporate income tax.

LEGAL

CONDITIONS

OBJECT OF THE FUND

The object of Fund is to invest in accordance with the investment objectives (“**Investment Objectives**”) for the joint risk and account of the Participants (article 3.1 of the Conditions).

The Conditions contain provisions, inter alia, to the following effect:

MEETINGS OF PARTICIPANTS AND VOTING RIGHTS

The Manager may, as often as it deems necessary in the interest of the Participants, convene a meeting of all Participants or of the Participants in one or more Classes. The Conditions do not provide for an annual general meeting of Participants. The meetings will be held in Amsterdam or another place to be determined by the Manager.

Notice for a meeting will be published on the Website in accordance with Article 16 of the Conditions at least fourteen (14) days prior to the meeting and will state the date, time, place, agenda for the meeting and the procedure to attend the meeting of Participants.

The Manager shall appoint a chairman and a secretary for each meeting of Participants. The chairman shall be responsible for determining the procedure to be adopted for the conduct of any meeting of Participants. The secretary shall be responsible for the preparation of minutes of the meeting of Participants.

Each Participation of a certain Class will have one vote in the meeting of Participants of that Class. Each Participation denominated in Euro gives, without any exception, an entitlement to one vote in a meeting of Participants of the Fund. Participations denominated in another currency than the Euro will have a voting power in a meeting of Participants depending on the relevant exchange rate against the Euro on the most recent Business Day prior to the day on which the votes are cast. For example, if a Participation is denominated in US Dollars and the exchange rate is 1 Dollar to 0.75 Euro, the holder of a Participation denominated in Dollars will have 0.75 votes per Participation in the meeting of Participants.

Every Participant will be authorized to attend the meeting of Participants, either in person or by means of a written proxy, to speak at the meeting and to exercise the voting right if the holder has informed the Manager in writing of his intention to attend the meeting, in accordance with the Conditions.

Unless otherwise required by the Conditions all resolutions of a meeting of Participants will be adopted by an absolute majority of the valid votes cast (hereafter: “**Ordinary Resolution**”).

No right to vote shall apply to fractions of Participations.

MANAGER

Subject to article 6.1 of the Conditions, the Manager is charged with the management and administration of the Fund, to dispose of or exchange any of the Fund Investments, to assume Fund Obligations and to perform any and all other acts in its own name on behalf and for the account of the Fund, which are in the opinion of the Manager reasonably necessary for, or conducive to, the attainment for the Investment Objectives. In managing the Fund, the Manager shall act solely in the interest of the Participants.

The Manager may delegate all or any part of its powers and duties to one or more suitable parties or may seek advice from such parties. The administration of the Fund, including the calculation of the Net Asset Value has been delegated to the Administrator.

The Manager cannot resign or withdraw from the Fund unless replaced by a successor sanctioned by an Ordinary Resolution of the meeting of Participants, to be held within four weeks after the Manager has announced its intention to resign.

The Manager may be removed from office and a new fund manager may be appointed, by a resolution representing at least 75% of the Participants (“**Special Resolution**”), in the event of fraud, gross negligence (*grove schuld*), willful misconduct (*opzet*) or a material breach (not remedied within 120 days) of a Participant giving notice to the Manager requiring to do so) by the Manager in carrying out its obligations under the Conditions.

CHANGES IN PARTICIPANTS’ RIGHTS

Any term in this Information Memorandum and the Conditions, including an amendment of the Investment Objectives, may be amended by the joint proposal of the Manager and the Legal Owner without any further consent of the Participants. In case of a change of the Conditions leading to an amendment of the Information Memorandum, a new prospectus or a supplement to the Information Memorandum will be submitted to the AFM for its approval.

The Manager will inform the Participants of the text of an amendment of the Conditions at least (30) calendar days before the day on which the amendment shall come into effect. Such notice will be published on the Website.

Furthermore, any change in the conditions which causes a reduction in the Participant’s rights or security or imposes costs upon Participants or involves a change in the Investment Objectives, does not become effective until one (1) month after the date of (approval of) the change and during this period Participants shall be entitled to redeem their Participations under the then existing conditions. In particular, the provisions on Redemption, as referred to under the “*Section Redemptions*” shall apply to any such Redemption.

TERMINATION AND WINDING-UP

Although the Fund has an indefinite duration, it shall be terminated on the bankruptcy, dissolution or liquidation of the Manager unless the appointment of a replacement of the Manager is approved by an Ordinary Resolution.

The Fund may also be terminated at any time with the sanction of a Special Resolution, upon the Manager committing fraud, gross negligence (*grove schuld*), willful misconduct (*opzet*) or material breach of the Conditions which is not remedied within a reasonable period of time. Furthermore, it may be terminated with the consent of the Manager and the sanction of a Special Resolution, or on not less than a three months’ notice by the Manager to the Participants.

The Manager may also (with the consent of an Ordinary Resolution) by notice in writing to the Participants, terminate the Fund at any time if in its reasonable opinion it would be impracticable, unlawful or inadvisable to continue.

Upon termination or dissolution of the Fund, no further business shall be conducted for the Fund, except for such actions as shall be necessary for the winding up of the affairs of the Fund and the distribution of the Fund Assets which shall be effected by the Manager.

During the liquidation period the Conditions shall, to the extent possible, remain in full force and effect. The balance left after the liquidation shall be distributed, in accordance with the provisions specified in Article 19.1 of the Conditions. Notice that distributions are to be made payable to the Participants and the composition of the distributions or collections shall be given in accordance with the provisions as specified in the Conditions. The Manager shall duly render accounts to the

Participants before making any distributions unless the liquidation is effected in view of a restructuring or merger of the Fund through which the Participants will receive participations in another fund as a liquidation payment in kind.

The Manager shall prepare liquidation accounts, which shall be accompanied by a certificate of an auditor. Approval of those liquidation accounts by a meeting of Participants shall constitute, upon approval by Ordinary Resolution, a discharge of the Depository and the Manager.

DISTRIBUTION POLICY

The Manager does not intend to distribute any income of the Fund to its Participants. The Manager shall have sole discretion whether to distribute any income of the Fund or whether to retain it within the Fund. The Manager currently intends to reinvest within the Fund all investment gains, paid out dividends or other distributions by Investee Funds to the Fund, unless mandatory pursuant to applicable tax rules. However, the Manager has the option to make distributions, which shall in such event be made to the Participants, pro rata to their participation in the Fund.

Distributions of income of the Fund, if any, and other payments are payable as of or on a date determined by the Manager. The declaration of such payments by the Fund will be announced on the Website. A Participant's claim to distributions of income and other payments lapses in favor of the Fund twenty years after the second day on which the claim became payable.

RELATED PARTY TRANSACTIONS

There will be no related party transactions, except for possible trades with other fund-of-funds managed by the Manager. Such transactions are not concluded at a regulated market or another trading venue, but will always be at the net asset value of the underlying fund and therefore on market-based terms and conditions. All such transactions will be based in all cases on an independent valuation, but a valuation by one or more of the parties involved in the transaction is also possible.

CONFLICTS OF INTEREST

Certain conflicts of interest may exist between the Manager and the Fund and between the Fund and a Participant. The Fund has no specific arrangements to deal with conflicts of interest, but will attempt to serve the Participants' interests to the best possible extent should a conflict of interest arise.

Incentive Fee Compensation

The Manager will be entitled to incentive compensation from the Fund. Managers of the Investee Funds are likely to also receive incentive compensation from those funds. As a result, the fee structure imposed by the Fund is higher than if a Participant directly invested in the Investee Fund. Moreover, incentive fees may create an inducement for the Manager or the fund managers of the Investee Funds to make investments that are riskier or more speculative than would be the case if such fees were not in effect. The Fund may invest in funds or companies affiliated to the Manager.

Other Investment Funds and Proprietary Trading

The Manager or its affiliates may become the fund manager or investment adviser of other private investment funds or pooled investment vehicles of other clients which may have similar objectives as the Fund. Neither the Manager nor its affiliates are under any obligation to share any investment opportunity, idea, or strategy for the benefit of the Fund, and may compete with the Fund for appropriate investment opportunities.

In the ordinary course of business, the Manager and its affiliates are engaged or may be engaged in the management and the advisory of other funds or portfolios of hedge funds, where their interests or the interests of their clients may conflict with the interests of the Participants. Conflicts of interest may also arise if the Manager and / or its affiliates become subject to any merger or acquisition. The Manager and its affiliates will, on a best efforts basis, attempt to serve the Participants' interests to the best possible extent should a conflict of interest arise.

Diverse Participants

Participants in the Fund are expected to include persons or entities organized in various jurisdictions and subject to various tax regimes. As a result, conflicts of interest may arise in connection with decisions made by the Manager that may be more beneficial for one type of Participants than for another type of Participants. In selecting investments appropriate for the Fund, the Manager will consider the investment objectives of the Fund as a whole, not the investment objectives of any Participants individually.

Fund documentation

The documentation relating to the Fund consists of:

- this Information Memorandum (including the information incorporated by reference therein);
- Conditions of Management and Custody (Exhibit I); and
- Application Form (which is available upon request).

10. IMPORTANT INFORMATION

Default / Creditworthiness / Negative Tax Implications

If a Participant fails to fulfil any of its obligations under the Terms and Conditions, Theta may, in addition to any other rights afforded by law, undertake certain (legal) actions. Also, pursuant to article 14.2.2 of the Terms and Conditions, if the tax status of the Fund Estate, Legal Owner or the other Participants is negatively affected by the tax status of that particular Participant, Theta is entitled to redeem that Participant's Participations.

Related Party transactions

There will be no related party transactions, except for possible trades with other fund-of-funds, accounts managed by Theta. Such transactions are not concluded at a trading platform but will always be at the net asset value of the Investee Fund and therefore on market-based terms and conditions. All such transactions will be based in all cases on an independent valuation, but a valuation by one or more of the parties involved in the transaction is also possible.

General Data Protection Regulation

Theta will ensure that personal data that has been collected and processed in connection with the Fund, will be treated confidentially. Theta will comply with the General Data Protection Regulation. Personal data of Participants is collected and processed in accordance with the Privacy Policy of Theta which is available on the Website.

Theta will use the personal data in connection with its duties as mentioned in the Terms and Conditions and the Information Memorandum. The personal data will not be shared with third parties other than the Administrator, unless this is necessary to carry out the duties under the Terms and Conditions and the Information Memorandum or when statutory provisions make it mandatory to share such information with third parties.

Equal treatment of Participants

Participants will not be granted a preferential treatment. Except as provided otherwise in this Information Memorandum or the Terms and Conditions, the Manager will treat Participants equally in equal circumstances and will supervise compliance with all applicable rules that aim to ensure equal treatment of Participants. The equal and reasonable (*billijke*) treatment of Participants is safeguarded by the Terms and Conditions, this Information Memorandum and the legal framework wherein the Fund operates including the internal policies of Theta implementing the mandatory provisions applicable to it under the AIFMD and the Act. The internal policies of Theta provide measures that: (i) implement equal treatment as standard in the internal processes of Theta; and (ii) secure control that these measures are actually complied with.

Voting policy

As a fund-of-funds, the Fund normally does not have voting rights in other enterprises. Occasionally, Theta is asked to vote regarding corporate actions of an Investee Fund. In such a case Theta will vote in manner as is deemed in the best interest of the Fund.

Sustainable Finance Disclosure

Investing can lead to adverse impacts on sustainability factors (i.e. environmental, social and governance factors). Theta does not consider the adverse impacts of its investment decisions for the Fund on sustainability factors. The Sustainability Policy of Theta is available on the Website.

EXHIBIT I

Conditions of Management and Custody

1. Definitions

1.1. The following terms have the definitions hereinafter indicated whenever used in these Conditions with initial capital letters:

Act means the Netherlands Financial Supervision Act (*Wet op het financieel toezicht*), as amended;

Administrator means the provider of administrative services as may be appointed as administrator of the Fund by the Manager, from time to time;

AIFMD means the Directive 2011/61/EU of the European Parliament and of the Council dated 8 June 2011 on Alternative Investment Managers, as amended, and the regulations (*verordeningen*) and further rules in relation thereto;

Application Form means the form of application or subscription to participate in the Fund completed by a Participant;

Business Day means a day on which banks are generally open for business in Amsterdam;

Cash means cash in any currency held in interest bearing call accounts or bank deposits;

Cash Equivalents means money market instruments in any currency which are regularly negotiated and which have a residual maturity of twelve (12) months or less;

Class means a separate class of Participations each having equal rights and obligations, unless explicitly provided otherwise in these Conditions and/or the Information Memorandum, and the same assets and liabilities, except for currency hedges, but may differ in currency of denomination;

Commencement Date means, in relation to any Class, the date upon which Participations in that Class are first issued;

Conditions means the terms and conditions of management and custody of the Fund set forth herein and as amended from time to time;

Costs means all costs, fees and expenses incurred by or charged to the Legal Owner or the Manager in connection with the Fund Estate;

Depositary means the third party that has been appointed by the Manager from time to time as the Funds's depositary (*bewaarder*) within the meaning of the AIFMD and the Act in accordance with the Conditions, from time to time;

Fund means the Fund Estate held through the Legal Owner for the purpose of collective investment by the Participants, as governed by the Conditions, also referred to as the Theta Legends Fund;

Fund Assets means the Fund Means and the Fund Investments;

Fund Bank Account means a bank account in the name of the Legal Owner for the account of the Fund;

Fund Estate means the totality of the Fund Assets and the Fund Obligations, to be allocated to Classes as the case may be;

Fund Investments means all Securities and/or other assets (*goederen*) other than Fund Means that are acquired and held by the Legal Owner in its own name on behalf and for the account of the Participants in connection with the Fund;

Fund Means means Cash and Cash Equivalents;

Fund Obligations means the liabilities which the Legal Owner (or the Manager, whether or not on behalf of the Legal Owner) assumes and/or incurs in its own name on behalf and for the account of the Fund;

Interested Party means the Manager, its associates and its respective directors, officers, shareholders or partners;

Investee Fund means a company, partnership, mutual fund or other pooled investment vehicle in, or Managed Account through, which the Fund has made an investment;

Investment Objectives means the investment objectives of the Fund and the restrictions imposed on the Manager referred to in the Information Memorandum, as amended from time to time;

Legal Owner means the means the legal holder of the Fund Assets as referred in article 4:37j of the Act, being Stichting Bewaarbedrijf Legends XL Fund or such other holder as may be appointed in accordance with the Conditions, from time to time;

Linked Fund means a collective investment vehicle or investment portfolio managed or advised by the Manager and investing in parallel with the Fund, as described in Article 8.6;

Managed Account means a segregated portfolio of assets placed with a portfolio manager for discretionary management by such portfolio manager on behalf of the Fund;

Manager means Theta Fund Management B.V. or an affiliate thereof or such other investment manager, as may be appointed by the Participants from time to time in accordance with Article 6;

Net Asset Value means the net asset value of a Participation, Class or the Fund as determined in accordance with the provisions of Article 12 calculated to two (2) decimal places;

Ordinary Resolution means a resolution (a) in writing (which may consist of one or more documents in like form each signed by one or more Participants) signed by Participants whose Participations represent in excess of fifty per cent (50%) of the total Participations

or (b) passed at a meeting of Participants by Participants whose Participations represent in excess of fifty per cent (50%) of the total Participations present at such meeting;

Participant means a holder of a Participation;

Participations means the units in which the rights of the Participants to the Fund Estate have been divided, each Participation representing an equal interest in the Fund Estate without priority or preference one over the other;

Information Memorandum means the prevailing prospectus relating to the Fund;

Redemption means the redemption of a Participation;

Register means the register maintained by the Manager for the administration of the Participations and Participants;

Securities means ordinary shares, preference shares, convertible securities or other securities or interests in a company, (legal) entity or contractual common fund including but not limited to any Investee Fund;

Special Resolution means a resolution: (a) in writing (which may consist of one or more documents in like form each signed by one or more Participants) signed by Participants whose Participations represent seventy-five per cent. (75%) or more of the total Participations; or (b) passed at a meeting of Participants by Participants whose Participations represent seventy-five per cent. (75%) or more of the total Participations;

Subscription Price means the subscription price payable for the acquisition of a Participation;

Valuation Day means the last Business Day in a calendar month and such other days as the Manager may determine; and

Website means the website of the Manager, www.thetacapital.com;

- 1.2. Unless the context requires otherwise, references to (i) Articles are to articles of these Conditions; and (ii) references to Participations also includes fractions of Participations if and when issued pursuant to Article 3.8.

2. **Name**

The name of the Fund is: Theta Legends Fund.

3. **Objects, Fund, Classes, Participations and fractions**

- 3.1. The objects of Fund are to invest in accordance with the Investment Objectives for the joint risk and account of the Participants.

- 3.2. The Fund is a common contractual fund (*fonds voor gemene rekening*) and an investment fund (*beleggingsfonds*) as referred to in article 1:1 of the Act. These Conditions and the

- arrangements made in connection herewith do not establish a partnership (*maatschap* or *vennootschap onder firma*) or limited partnership (*commanditaire vennootschap*).
- 3.3. The Conditions form part of the contractual relationship existing between the Manager, the Legal Owner and each Participant (separately) originating from the execution of the Participant's Application Form.
- 3.4. The Conditions do not form an agreement between any or all Participants among themselves and are not (otherwise) aimed at any cooperation among or between any or all Participants and no provision of the Conditions shall constitute or be interpreted as constituting any right or obligation existing between any or all Participants vis-à-vis each other or as a cooperation agreement (*samenwerkingsovereenkomst*) between the Manager, the Legal Owner and any of the Participants.
- 3.5. A (prospective) Participant's obligation to make payments under its Commitment is an obligation (*verbintenis*) to the Legal Owner only. This obligation is no contribution (*inbreng*) or commitment to make a contribution within the meaning of title 7A.9 of the Dutch Civil Code.
- 3.6. The Fund is set up as a tax transparent fund for joint account (*transparant fonds voor gemene rekening*) and, accordingly, does not qualify as a taxable entity for Dutch corporate income tax and Dutch dividend withholding tax purposes.
- 3.7. Participations may be issued in different Classes each denominated in a different currency. All Classes have the same investment objectives and policies as all other Classes save that each Class will have a currency hedge policy linked to the currency of its denomination. Each Class may have a different Net Asset Value. The Classes are each marked by a letter being: 'A', 'B', 'C', 'D', etc.
- 3.8. The Manager shall be entitled to issue fractions of Participations up to such number of decimals as the Manager may determine as provided in the Information Memorandum where the net subscription monies received are insufficient to purchase an integral number of Participations, provided however that fractions of Participations shall not carry any voting rights.

4. Subscriptions

- 4.1. Participations shall be offered on the Commencement Date at an initial fixed Subscription Price or at Net Asset Value plus the subscription charge thereafter. The Manager may determine the minimum value of Participations which may be the subject of one subscription as will be set forth in the Information Memorandum.
- 4.2. Participations may be issued on any subsequent Valuation Day after payment to the Legal Owner of a Subscription Price and due completion of the Application Form. Payment must

be made to the relevant Fund Bank Account for value at least two (2) Business Days before the Valuation Day, unless otherwise agreed by the Manager.

- 4.3. The Manager may, at its sole discretion, suspend the issue of new Participations or reject any subscription for Participations in whole or in part and return subscription moneys to applicants without interest.
- 4.4. The Manager may, at its discretion, agree to accept the transfer of Securities to the Fund, by way of exchange, in satisfaction of the Subscription Price payable. Any such Securities will be valued in accordance with the valuation principles applied by the Fund.

5. Legal Owner and Depositary

- 5.1. The Fund Estate shall be legally owned by, and will be administered in the name of, the Legal Owner.
- 5.2. The Legal Owner shall acquire and hold the Fund Estate for the purpose of management and custody (*ten titel van beheer*) on behalf and for the account of the Participants and will receive any income on Fund Investments on behalf and for the account and benefit of the Participants.
- 5.3. The Legal Owner's objectives according to its articles shall be to act as legal owner of the Fund Estate or/and legal owner of fund assets (*activa*) of investment funds.
- 5.4. The Legal Owner shall:
 - a) from time to time, for the account of the Participants, hold or procure to be held all documents of title to or evidencing ownership of Fund Investments and shall use its best endeavours to procure that such Fund Investments (other than Fund Investments transferable by delivery (if any)) shall as soon as practicable after receipt of the necessary documents by the Legal Owner be registered in the name of the Legal Owner;
 - b) act solely in the interests of the Participants and act only in accordance with instructions that have been conveyed to the Legal Owner in such manner as may be agreed from time to time between the Manager and the Legal Owner;
 - c) on receipt of instructions from the Manager make or arrange for the delivery of the documents of title to or evidencing ownership of Fund Investments which have been sold;
 - d) collect, receive and deposit in Fund Bank Accounts all income and other payments with respect to the Fund Investments and all other payments due to the Fund and shall execute such ownership and other certificates and other claim forms as shall from time to time be required for fiscal and tax purposes and shall pay any taxes it is

required to pay in connection therewith (all such payments being debited to the Fund Bank Accounts) the Fund Investments being security for the due payment of the same;

- e) present for payment all coupons and other income payments requiring presentation;
- f) present for repayment all Fund Investments which may mature or be called, redeemed or otherwise become repayable;
- g) pay or cause to be paid insofar as sufficient uninvested monies are available for the purpose, such bills, statements or other obligations of the Fund as may be approved generally, or from time to time, by the Manager;
- h) without delay forward to the Manager all notices of meetings, reports, circulars and other documents and correspondence received by it or its nominee as holder of any Fund Investment and shall (so far as it is able) upon the written request of the Manager from time to time execute and deliver or cause to be executed or delivered to the Manager or its nominee such powers of attorney or proxies as may reasonably be required in such name or names as the Manager may reasonably request authorising such attorneys and proxies to vote, consent or otherwise act in respect of all or any part of the Fund Investments; and
- i) carry out any additional duties as from time to time and at any time agreed between the Manager and the Legal Owner.

5.5. The Legal Owner shall only be liable towards the Fund and the Participants for direct losses suffered to the extent that the losses result from culpable non-performance or defective performance of its obligations, also in case the Legal Owner delegated the custody of Fund Assets in whole or part to a third party.

5.6. The Legal Owner shall not be entitled to resign without the appointment of a new legal owner in his place. If the Legal Owner notifies the Manager of its wish to resign, the Manager shall appoint within 4 weeks a successor in accordance with requirements of the AIFMD and the Act in this respect and notify the Participants of such appointment.

5.7. The Manager will appoint a Depositary with respect to the Fund in accordance with the AIFMD and the Act. The Participants will be informed in writing of any amendment, renewal, restatement, assignment or termination of the agreement with the Depositary and of the entering into any new agreement with the Depositary, within 20 Business Days after such event. Upon request, the Participants will be provided with a copy of the agreement with the Depositary.

6. Management and Investments

6.1. The Manager is charged with the management and administration of the Fund Estate and is, subject to these Conditions, entitled to invest the Fund Means, to dispose of or exchange

- any of the Fund Investments, to assume Fund Obligations and to perform any and all other acts in its own name on behalf and for the account of the Fund which are in the opinion of the Manager reasonably necessary for, or conducive to, the attainment of the Investment Objectives. The Manager may, from time to time, seek third party advice regarding overall asset allocation and investment management.
- 6.2. In managing the Fund Estate, the Manager shall act solely in the interest of the Participants. In the performance of its obligations and in the exercise of its rights, powers and authorities hereunder, the Manager shall exercise the standard of care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character, risk profile and investment objectives as the Fund, having regard to the provisions hereof.
- 6.3. The Manager may delegate all or any part of its powers and duties under these Conditions to one or more suitable third parties such as the Administrator, provided that such delegation is accordance with the AIFMD, the Act and any other applicable laws.
- 6.4. The management and administration of the Fund Estate shall be performed for the account and at the risk of the Participants. Benefits and/or losses resulting therefrom shall consequently be for the benefit of or be borne by such Participants. No Participant shall be liable to contribute any sum to the Fund Estate beyond the Subscription Price for his Participations.
- 6.5. The Manager may borrow for the account, and at the expense, of the Fund to finance Fund Assets, Fund Obligations and Costs. The sum outstanding at any time in relation to any Class shall not exceed thirty percent. (30%) of the book value of the Fund Assets allocated to such Class. Subject to that, Fund Investments may not be financed with any funding (including but not limited to debt funding) other than Subscription proceeds.
- 6.6. The Manager shall not resign or withdraw from the Fund unless replaced by a successor with the sanction of an Ordinary Resolution (meeting of Participants to be held within four (4) weeks after the Manager has announced its intention to resign).
- 6.7. The Manager may be removed from office and a new Manager may be appointed, by Special Resolution, in the event of fraud, gross negligence (*grove schuld*), wilful misconduct (*opzet*) or a material breach (not remedied within one hundred and twenty (120) days of a Participant giving notice to the Manager requiring it to do so) by the Manager in carrying out its obligations under the Conditions.
- 6.8. Neither the Manager nor the Administrator nor any of their respective directors, employees or affiliates shall be liable towards the Participants for a loss suffered by them in connection with the performance of its respective duties and responsibilities, unless and to the extent that such loss is directly caused by the gross negligence (*grove schuld*) or wilful

misconduct (*opzeta*) of the Manager. Neither the Manager nor any of its respective directors, employees or affiliates shall be liable towards the Participants for a loss suffered by them as a result of any act or omission of a third party.

- 6.9. The Manager and the Legal Owner, any administrative agent and their respective affiliates, officers, directors, shareholders, agents and employees shall be entitled to be indemnified out of the Fund Assets against any claims, liabilities, costs and expenses (including reasonable legal fees) incurred in relation to the performance of their duties in relation to the Fund provided however that no such person shall be so indemnified with respect of any matter resulting from its or his fraud, gross negligence (*grove schuld*) or wilful misconduct (*opzeta*) in the performance by it or him of its or his obligations and duties in relation to the Fund or material breach of the Conditions not remedied within sixty (60) days of receiving notice requiring such remedy.

7. Fund Means

- 7.1. The Fund Means of the Fund may be received by the Legal Owner in consideration for the subscription of Participations, in respect of or in exchange for Fund Investments, by creation and increase of Fund Obligations and/or by creation, increase and application of provisions and reserves, if any.
- 7.2. The Fund Means shall be held by the Legal Owner pending the selection and purchase of suitable investments and reinvestments by the Manager, and to maintain liquidity to meet payment obligations which arise or may arise.
- 7.3. The Fund Means may be used to pay for all Fund Obligations and Costs relating to the Fund. Where an expense is incurred, or liability suffered, by the Fund which is not solely or directly attributable to all Classes it shall be allocated between the Classes on such basis as the Manager considers equitable.

8. Authority to Invest and Administer Fund Assets

- 8.1. Subject to the provisions set forth in the Conditions, the Manager may invest the Fund Means in any Fund Investments and the determination of the Manager as to whether or not any investments are of a type which may be purchased or held by the Legal Owner in view of the Investment Objectives shall be conclusive.
- 8.2. It is the intention that (subject only to the specific restrictions mentioned herein) the Manager shall have the broadest power and authority in making investments consistent with the investment powers herein provided. The Manager shall have full discretionary power to retain Fund Assets for as long a period as it shall think proper and to manage, convert, exchange, transfer and dispose of the Fund Assets. The Manager shall have and

may exercise every right and privilege pertaining to management provided that the exercise of such right or privilege is, in its opinion, conducive to the attainment of the Investment Objectives.

8.3. Without limiting the generality of the foregoing, the Manager's powers and authority shall include:

- a) to enter into, perform and carry out contracts of any kind necessary or incidental to the matters set forth in this Article, including, without limitation, contracts with affiliates of the Manager and/or with the Legal Owner;
- b) to bring, sue, prosecute, defend, settle or comprise actions at law related to the purposes of the Fund;
- c) to employ, retain or otherwise secure or enter into agreements or other undertakings with persons or firms in connection with the management and operation of the Fund's business, including, without limitation, auditors, attorneys, consultants, investment bankers, any other agents, all on such terms and for such consideration as the Manager deems advisable;
- d) to enter into partnership and joint venture agreements and to take any and all actions incidental to investing in Investee Funds;
- e) to exercise the statutory and contractual voting rights attached to or concerning the Fund Investments; and
- f) to engage in any kind of lawful activity, and perform and carry out contracts of any kind, necessary or advisable in connection with the accomplishment of the purposes of the Fund.

8.4. The Manager may manage or advise other collective investment schemes or investors for the purpose of investment in parallel with, and on substantially similar terms as, the Fund.

8.5. The Manager shall, so far as consistent with applicable fiscal, legal and regulatory requirements, allocate investment opportunities in proportion to the funds respectively committed to the Fund and such Linked Funds and any such co-investment shall be made on the same financial terms as the acquisition by the Fund.

8.6. The Manager may make arrangements with Linked Funds on such terms as it reasonably thinks fit to share income, costs, expenses and liabilities relating to such investments with the Linked Funds in proportion to the amounts respectively invested, to equate the rate of return earned from any investment and make such other arrangements as it thinks fit.

9. Participants

9.1. Each Participant shall be beneficially entitled to the Fund Estate of a Class pro rata to the number of its Participations in that Class.

- 9.2. All benefits and (subject to Article 6.4) burdens, beneficially attached to the ownership of the Fund Estate, shall be in favour and for the account of each Participant pro rata to the number of its Participations in that Class.
- 9.3. Each Participant shall be bound by and subject to the Conditions and deemed to have taken notice of the Conditions by the mere fact of participating in the Fund.

10. Participations

- 10.1. All Participations are issued in registered form. No certificates representing Participations will be issued.
- 10.2. Upon the initial issuance of the Participations the Manager shall register the Participations in the name of the respective holders thereof.
- 10.3. In the Register the names and addresses of all Participants will be recorded, stating the particulars of their Participations and the date of acquisition of the Participations. The Register shall also state the manner in which a Participant wishes to receive payments and any distributions.
- 10.4. The Manager shall at all times be entitled to rely on the accuracy of the information provided by each Participant for inclusion in the Register and to treat such information as conclusive with respect to such Participant and its entitlement to its Participations. The Manager shall not be bound:
- a) by any change in such information which has not been notified to the Manager in accordance with Article 10.2; or
 - b) to recognise any interest or claim of any person to a Participation other than the Participant whose details have been duly entered in the Register in respect thereof.
- 10.5. Each Participant shall notify the Manager promptly of any change in the information referred to in Article 10.3 in relation to such Participant. The Manager shall upon receipt cause the Register to be amended accordingly within five (5) Business Days.
- 10.6. Within ten (10) Business Days following entry (or any change in the entry relating to it) the Manager shall send to each Participant an extract from the Register signed by the Manager, in so far as it concerns its Participation(s). Such extract shall only serve as evidence of the entry and is non-negotiable.
- 10.7. Upon written request to that effect by the Participant to the Manager, the Register shall be available at the Manager's office for the inspection of each Participant on Business Days, but only in so far as it concerns the Participant's own entry.

11. Costs and Fees

- 11.1. The Manager shall be entitled to receive out of the Fund Assets an annual management fee which shall be determined by the Manager and may be due and payable to the Fund as set forth in the Information Memorandum.
- 11.2. Subscriptions may be subject to a subscription charge which shall be determined by the Manager and may be due and payable to the Fund and/or the Manager as set forth in the Information Memorandum.
- 11.3. Redemptions may be subject to a redemption charge which shall be determined by the Manager and may be due and payable to the Fund as set forth in the Information Memorandum.
- 11.4. The Manager may be entitled to an annual incentive fee calculated per Class which shall be determined by the Manager and may be due and payable to the Fund as set forth in the Information Memorandum.
- 11.5. The Manager shall at its own expense provide office facilities and staff to facilitate the carrying on of the activities of the Fund.
- 11.6. The fees and expenses payable in connection with the formation of the Fund (including, but not limited to, fees and expenses of attorneys, tax advisers, auditors, consultants and other professional advisers and marketing, advertising, travel, out-of-pocket expenses and printing expenses of the Manager) shall be borne by the Fund.
- 11.7. All other operating expenses shall be borne by the Fund (and allocated between the Classes as the Manager considers equitable) including (but not limited to):
 - a) management or advisory fees payable in respect of any Investee Fund, fees, brokerage expenses and duties associated with any investment proposals, or with the realisation of investments and other costs of acquisition and disposal of investments;
 - b) the fees and expenses of the Legal Owner, Depositary and the Administrator;
 - c) the fees and expenses of such attorneys, agents, lawyers, auditors or other advisers as the Manager may deem necessary or advisable in relation to the affairs of the Fund and the parties involved;
 - d) the cost of preparation of tax returns and establishing the tax status of the Fund;
 - e) the costs of meetings of Participants;
 - f) auditors' fees and expenses;
 - g) advertisement costs;
 - h) transfer and other taxes and duties (including any irrecoverable value added tax payable by the Manager in respect of services provided to it in connection with the Fund);

- i) interest;
- j) bank charges;
- k) fees and expenses in connection with pursuing or defending any complaint or litigation by or against the Fund; and
- l) any other expenses reasonably incurred in connection with the operation of the Fund.

12. Net Asset Value and Value of the Participations

12.1. As of each Valuation Day, the Manager shall determine the Net Asset Value. In determining the Net Asset Value, the Manager shall, at its discretion, apply a method of valuing which in its opinion reflects the fair value of an investment best. The Manager may rely upon opinions and estimates of any persons who appear to it to be competent to value investment of any type or designation by reason of any appropriate professional qualification or experience of the relevant market. In determining the amount of liabilities the Manager may calculate administrative and other expenses of a regular or recurring nature on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period.

Assets or liabilities not directly referable to a particular Class shall be allocated between the Classes by the Manager as it considers equitable.

For the purposes of determining the Net Asset Value, any assets or liabilities in currencies other than the currency in which a Class is denominated will be converted into such currency at the rate (whether official or otherwise) which the Manager shall in its absolute discretion deem appropriate to the circumstances having regard, inter alia, to any premium or discount which it considers to be relevant and to the costs of exchange at the time of determination of the Net Asset Value.

In addition the foregoing the Manager shall take all necessary differences into account to determine the Net Asset Value.

12.2. Notwithstanding Article 12.1 any valuation or determination of the Net Asset Value shall be carried out in accordance with the provisions of the AIFMD and the Act.

12.3. The Net Asset Value shall be expressed in the currency in which the relevant Class is denominated and will be published on the website of the Manager.

12.4. The reasonable and equitable decision of the Manager regarding the Net Asset Value, including the determination whether a method of valuation fairly indicates fair market value, and the selection of experts for purposes of assessing the value of the Fund Assets and the Fund Obligations, shall be conclusive and binding upon all Participants.

13. Transfer or Encumbrance of Participations

- 13.1. Participations may not be transferred.
- 13.2. The term "transferred" as used in this Article 13 in relation to the transfer of Participations means any sale, transfer, including transfer under universal title (*algemene titel*), disposal, exchange, pledge, encumbrance or other disposition of any Participation or part thereof.
- 13.3. This Article 13 has proprietary effect (*goederenrechtelijk effect*).
- 13.4. In deviation of Article 13.1, the Manager may to its sole discretion decide to facilitate a transfer of Participations to one or more other persons provided such transfer can be effected with full compliance with the prevailing conditions for a tax transparent fund.

14. Redemption of Participations

- 14.1. Only the Manager may redeem Participations in accordance with the provisions of this Article.
- 14.2. Participations may be redeemed following written notice given to the Manager (unless otherwise agreed by the Manager) setting forth the number of Participations. Redemptions will be effected in full on the first Valuation Day at least ninety (90) calendar days after receipt of the redemption request by or on behalf of the Manager.
- 14.3. Redemptions shall be effected at a price equal to the Net Asset Value of the relevant Participations on the Valuation Day on which Redemption is effected, less a redemption charge as described in Article 11.3, which shall be determined by the Manager and may be due and payable to the Fund and/or the Manager as set forth in the Information Memorandum.
- 14.4. The Manager is not obliged to redeem more than ten percent (10%) of the total Participations in issue on any Valuation Day. Any excess requests will be carried forward to the next Valuation Day at which time they will be given priority over subsequent requests for redemption.
- 14.5. The Manager may determine the minimum value of Participations which may be the subject of one redemption request as will be set forth in the Information Memorandum.
- 14.6. An acknowledgement of the Redemption will be sent to the Participant within twelve (12) Business Days of the Valuation Day upon which his Redemption request takes effect. A confirmatory detailed confirmation will be despatched as soon as possible containing details of the Redemption Price (estimated to the extent necessary) and the total amount of proceeds (whether estimated or otherwise). A revised confirmation will be issued, if necessary, when the Redemption is confirmed.

- 14.7. The proceeds of a Redemption will, provided no unforeseen circumstances prevent the Manager to liquidate the Fund Assets in time, be paid to the Participant within thirty (30) days following Redemption or, if later, receipt of correctly completed documentation.
- 14.8. Participations which are redeemed will be held by the Legal Owner shall not be held by the Legal Owner but shall be automatically cancelled.
- 14.9. At the absolute discretion of the Manager Participations may be redeemed against the transfer to the Participant concerned of an equitable proportion of the Fund Investments, with the Manager making such adjustments as it thinks fit to deal with any restrictions on, or inconvenience arising from, particular transfers. Any such transfer and Redemption may be subject to the Participant also assuming an equitable proportion of the Fund Obligations, with such adjustments as the Manager thinks fit.

15. Suspension of Valuations

- 15.1. The Manager may declare a suspension of valuations and the issue and redemption of Participations in any Class for the whole or any part of a period during which:
- a) by reason of the closure of or the suspension of trading on any stock exchange or over-the-counter market or any other reason, circumstances exist as a result of which, in the opinion of the Manager, it is not reasonably practicable for the Fund to dispose of investments or fairly to determine the Net Asset Value; or
 - b) a breakdown occurs in any of the means normally employed by the Manager in ascertaining the value of Investments or any other reason or circumstances exists which in the opinion of the Manager means the value of the investments or other assets of the Fund cannot reasonably be ascertained; or
 - c) it is not possible to receive remittances in respect of the investments or to make payments pursuant to a redemption at all or without undue delay.
- 15.2. Any such suspension shall take effect at such time as the Manager shall declare but not later than the close of business on the Business Day next following the declaration and thereafter there shall be no determination of Net Asset Value until the Manager shall declare the suspension at an end except that the suspension shall terminate in any event on the first Business Day on which:
- a) the condition giving rise to the suspension shall have ceased to exist; and
 - b) no other condition shall exist under which suspension is authorised under the Conditions.
- 15.3. Each such declaration by the Manager shall be consistent with such official rules and regulations (if any) relating to the subject matter thereof as shall have been promulgated by any authority having jurisdiction over the Fund as shall be in effect at the time. To the

extent not inconsistent with such official rules and regulations, the determination of the Manager shall be conclusive.

16. Notices

- 16.1. All announcements, notices and notifications to the Participants relating to the Participations or required by these Conditions will be, unless otherwise stated in the Information Memorandum, published on the Website. Notice will be deemed to have been given on the latest of the date of all such publications.
- 16.2. All notices to the Legal Owner or the Manager shall be sent in writing and shall be addressed or directed to the addresses set out in the Information Memorandum or such other address(es) as may have been notified to the Participants.
- 16.3. The Information Memorandum sets forth the information the Manager provides through the Website.

17. Disclosure of Interests

- 17.1. Interested Parties may buy, hold or deal in any investments upon their own account notwithstanding that the same or similar securities or other investments may be held by or on behalf of the Fund and an Interested Party shall not be liable to account either to the other Interested Parties or to the Fund, the Participants or any other person for any profits or benefits made or derived by or in connection with any such transaction.
- 17.2. An Interested Party may enter into any transaction with any Investee Fund and may be interested in any such contract or transaction (but only on an arm's length basis) and shall not be liable to account either to other Interested Parties or to the Fund, the Participants or any other person for any profits or benefits made or derived by or in connection with any such transaction.
- 17.3. Details of each transaction falling within Articles 17.1 and 17.2 entered into by any of the directors of the Manager shall be provided to Participants in the annual accounts prepared in accordance with Article 18.2.

18. Accounting and Reporting

- 18.1. The financial year of the Fund shall coincide with the calendar year.
- 18.2. The Manager shall prepare the annual accounts of the Fund, consisting of a balance sheet and an income statement for each Class and explanatory notes thereto. The annual accounts of the Fund shall be signed by all members of the board of directors of the Manager. Should one (1) or more signatures be missing, this shall be disclosed, stating reasons. The annual

accounts of the Fund shall be prepared and published in accordance with the Netherlands Civil Code, the AIFMD and the Act.

- 18.3. The Manager shall appoint an independent auditor, as referred to in Article 2:393(1) of the Dutch Civil Code, to audit the annual accounts of the Fund and report on the Net Asset Value(s) as determined by the Manager. Such person shall report on his audit to the Manager, shall set out the results of his audit in a certificate and shall be entitled to receive reasonable compensation for the services rendered.

19. Distributions

- 19.1. The Manager shall distribute any income of the Fund in accordance with the policy described in the Information Memorandum. Any sums which it determines to distribute shall be paid to the Participants, pro rata to their Participations.
- 19.2. Distributions in cash shall be made by credit to such bank account as the Participant may agree with the Manager. Cash Equivalents and Securities shall be transferred into the name of the relevant Participant.
- 19.3. The Manager shall have sole discretion whether to distribute any income of the Fund or whether to retain it within the Fund. Any sums which it determines to distribute shall be paid to Participants in the relevant Class, pro rata to their Participations.
- 19.4. Any announcement of payment of distributions pursuant to this Article 19 shall be notified to the Participants.

20. Amendments to the Conditions

- 20.1. The Conditions may be amended by the Manager, without any further consent of the Participants being required.
- 20.2. The Conditions cannot be amended at the request of the Participants.
- 20.3. Notice will be sent by the Manager to all Participants to inform the Participants of the text of an amendment of the Conditions at least thirty (30) calendar days before the day on which the amendment shall come into effect.
- 20.4. Any change in the Investment Objectives, or a change in the Conditions which causes a reduction in the Participants' rights or security or imposes costs upon Participants does not become effective until one (1) month after the date (of approval) of the change and during this period Participants shall be entitled to redeem their Participations under the then existing conditions. In particular, the provisions of Article 14 shall apply to any such redemption.
- 20.5. Upon amendment of the Conditions the Manager shall inform the Participants.

21. Termination and Winding Up

- 21.1. The Fund shall be of indefinite duration.
- 21.2. The Fund shall be terminated on the bankruptcy, dissolution or liquidation of the Manager unless the appointment of a replacement Manager is approved by Ordinary Resolution.
- 21.3. The Fund or a Class may be terminated at any time:
- a) with the sanction of a Special Resolution, upon the Manager committing fraud, gross negligence (*grove schuld*), wilful misconduct (*opzet*) or material breach of these Conditions which is not remedied within a reasonable period of time;
 - b) with the agreement of the Manager and the sanction of a Special Resolution; or
 - c) on not less than three month's notice by the Manager to the Participants.
- 21.4. The Manager may (with the consent of an Ordinary Resolution) by notice to the Participants, terminate the Fund or a Class at any time if in its reasonable opinion it would be impracticable, unlawful or inadvisable to continue.
- 21.5. Upon termination of the Fund or a Class in accordance with this Article, or dissolution, no further business shall be conducted for the Fund or that Class (as the case may be), except for such actions as shall be necessary for the winding up of the affairs of the Fund or that Class and the distribution of the assets of the Fund which shall be effected by the Manager.
- 21.6. During the liquidation period the Conditions shall, to the extent possible, remain in full force and effect.
- 21.7. The balance left after the liquidation shall be distributed in accordance with Article 19. Notice that distributions are to be made payable to the Participants and the composition of the distributions or collections shall be given in accordance with the provisions of Article 16. The Manager shall duly render accounts to the Participants before making any distributions unless the liquidation is effected in view of a restructuring or merger of the Fund through which the Participants will receive participations in another fund as a liquidation payment in kind.
- 21.8. The Manager shall prepare liquidation accounts, which shall be accompanied by a certificate of the person referred to in Article 18.3. Approval of those liquidation accounts by a meeting of Participants shall, upon approval by Ordinary Resolution, constitute a discharge of the Legal Owner and the Manager.

22. Meetings of Participants

- 22.1. The Manager may, as often as it deems necessary in the interest of the Participants, convene a meeting of Participants or of Participants in any Class. The meetings will be held in Amsterdam or another place to be determined by the Manager. Notice for a meeting

will be given in accordance with Article 16 at least fourteen (14) days prior to the meeting and will state the date, time, place and agenda for the meeting.

- 22.2. The Manager shall appoint a chairman and a secretary. The chairman shall be responsible for determining the procedure to be adopted for the conduct of any meeting. The secretary shall be responsible for the preparation of minutes of the meeting.
- 22.3. Each Participation entitles the holder to one vote in a meeting of Participants of that Class.
- 22.4. In the event more than one Class is outstanding, each Participation denominated in euro entitles the holder to one vote in a meeting of Participants of the Fund. Participations denominated in another currency will have a voting power in a meeting of Participants of the Fund determined by the relevant exchange rate against the euro on the most recent Valuation Day prior to the day on which the votes are cast.

23. Applicable Law and Competent Court

- 23.1. The Conditions shall be governed by the laws of The Netherlands.
- 23.2. The competent courts of Amsterdam and its appellate courts shall have exclusive jurisdiction to decide on a dispute arising from the Conditions.