

BRANDCAPITALFUND

Terms & Conditions

A Fund for Joint Account
Established in the Netherlands

For Professional Investors Only

December 2023

GENERAL INFORMATION

Party	Details
Administrator	<p>AssetCare Fund Services B.V. Eurocenter I, 7th floor Barbara Strozilaan 310 1083 HN Amsterdam The Netherlands</p>
Bank / Custodian	<p>CACEIS Bank De Entree 500 1101 EE Amsterdam The Netherlands</p> <p>Northern Trust Global Services SE Viñoly 7th floor Claude Debussylaan 18A 1082 MD Amsterdam The Netherlands</p> <p>Interactive Brokers Ireland Limited North Dock One, 91/92 North Wall Quay Dublin, D01 H7VY Ireland</p>
Investment Adviser	<p>NGEN Capital Ltd 53 Davies Street London W1K 5JH United Kingdom</p>
Fund Manager	<p>JEB Capital B.V. WTC The Hague Prinses Margrietplantsoen 33 2595 AM Den Haag Netherlands</p>

Legal Owner

Stichting Bewaarder Brand Capital Fund
WTC The Hague
Prinses Margrietplantsoen 33
2295 AM Den Haag
Netherlands

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IMPORTANT INFORMATION

Warning

Potential investors in the Fund are expressly advised that investing in the Fund carries financial risks. They therefore need to be well aware of the entire content of the Information Memorandum and if necessary seek independent advice in order for them to be able to properly assess these risks. The value of a Participation in the Fund may fluctuate. The possibility exists that Participants receive less than their investment in return. Past performance is no guarantee of future results.

Responsibility for the content of this Information Memorandum

The Investment Manager is responsible for the correctness and completeness of the information contained within this Information Memorandum. This information, in so far as the Investment Manager could reasonably have been aware of, is in accordance with the facts. No omissions were made to the Information Memorandum that are likely to affect its purport. The provision and distribution of this Information Memorandum does not entail that all information contained here within is still correct at that time. Information that is of significant importance will be regularly updated on the Website.

Information about the Fund provided by third parties

The Investment Manager is not responsible for the correctness of information about the Fund provided by third parties.

Restrictions regarding the distribution of this Information Memorandum in other countries

The delivery and distribution of the Information Memorandum outside the Netherlands may be subject to locally applicable (legal) restrictions. This also applies to offering or selling Participations in the Fund. The Investment Manager requests persons who obtain the Information Memorandum to inform themselves of the existence of such restrictions and to comply with such restrictions. The Information Memorandum is not an offer of any securities or invitation to make an offer to a person in any jurisdiction where this is not permitted under locally applicable rules and regulations. The Investment Manager is not liable for any violation whatsoever of any applicable restriction from any party, regardless if this person is or is not a potential purchaser of Participations.

Applicable law

The Information Memorandum is solely governed by Dutch law.

Dutch Financial Supervision Act (Wft), exemption from the licence requirement

The Investment Manager is registered with the AFM to operate under the exemption of Section 2:66a of the Wft, the so called light regime. The Investment Manager and the Fund are therefore not under supervision from AFM and DNB and are exempted from the applicability of Part 3 (Prudential supervision) and Part 4 (Market Conduct supervision) of the Wft.

Risk Factors

Appendix 1 describes the risk factors which should be considered before Participating in the Fund. By Participating in the Fund, Investors acknowledge that they have made themselves familiar with these risk factors.

INVESTOR PROFILE

An investment in the Fund is particularly suited for investors:

- i. who qualify as professional investor within the meaning of Wft Article 1.1;
- ii. who have extensive experience with investing in equities and are familiar with the risks of investing in listed equity markets;
- iii. who are prepared to take the risk of a possible (large) value depreciation of this investment and bear losses arising from realisation of this risk;
- iv. who do not require immediate income from this investment;
- v. who intend to maintain their investment in the Fund for a longer period of time;
- vi. who will accept limited liquidity of their investment (redemption is only possible once per month);
- vii. who pass the applicable regulations for client due diligence and source of wealth.

The value of a Participation in the Fund may fluctuate. The possibility exists that Participants receive less than their investment in return. Past performance is no guarantee of future results.

1 DEFINITIONS

1.1 In these Terms and Condition, the following definitions are applicable:

"**Administrator**" AssetCare Fund Services B.V. (Fund Administrator and Registry Administrator) is appointed by the Investment Manager to maintain the register of Participants, and the valuation of the Fund.

"**AFM**" Autoriteit Financiële Markten (Netherlands Authority for Financial Markets);

"**Agreement to Participate**" the agreement to Participate between the Investment Manager, the Legal Owner and the Participants, and its updates;

"**AIFMD**" Alternative Investment Fund Managers Directive 2011/61/EU of the European Parliament and of the Council;

"**bps**" basis points, unit of measurement equal to 1/100th of 1 percent;

"**Business Day**" each day at which the New York Stock Exchange, other major Stock exchanges, and Dutch banks are open;

"**CET**" Central European Time;

"**Client**" other name for Participant;

"**CRS**" Common Reporting Standard, an information standard for the Automatic Exchange Of Information (AEOI) regarding bank accounts on a global level, between tax authorities;

"**Custodian**" Caceis Bank, Netherlands Branch, Northern Trust Global Services SE and Interactive Brokers Ireland are the appointed custodians and brokers of the Fund's investments;

"**DNB**" De Nederlandsche Bank (Dutch National Bank);

"**FCA**" Financial Conduct Authority (United Kingdom);

"**Fund**" the total of the Fund assets and liabilities which are held as a collective investment for Participants to which these Terms apply;

"**Fund Assets**" the assets held by the Fund, including the Investments as referred to in Article 6.1 of these Terms, which are held by the Legal Owner in its name, and for the account and at risk of the Participants in the Fund;

"**Fund Liabilities**" the liabilities of the Legal Owner which are contracted by the Legal Owner, or on behalf of the Legal Owner, for the account and at risk of the Participants in the Fund, including all liabilities as described in Article 4.1. of these Terms;

"**Fund Net Assets**" the total value of the Fund's Assets minus Fund Liabilities;

"**Inception Date**" the date at which the Fund has been established, which is 26 March 2018;

"**Investments**" all securities and other assets, which are obtained by the Legal Owner (or by the Investment Manager on behalf of, and in the name of, the Legal Owner), and which are held in custody by the Legal Owner, in name of, and at the risk, the Participants in the Fund;

"**Investment Objective**" the Investment Objective of the Fund as described in Article 3 of these Terms;

"**Issue Date**" the date at which the Participations are issued to Participants, as determined by these Terms and the Investment Manager;

"**Issue Price**" the Net Asset Value of each Participation as per the latest Valuation Date, or any other date as determined by the Investment Manager, in accordance with these Terms;

"**Legal Owner**" the entity that is the legal owner of the fund assets, the foundation Stichting Bewaarder Brand Capital Fund;

"**Meeting of Participants**" a meeting of Participants which is held according to Article 19 of these Terms;

"**Net Asset Value**" the difference between the Fund Assets and Fund liabilities, as determined by the Investment Manager in accordance with Article 10 of these Terms;

"**Participant**" a person, a legal entity or any other entity which participates directly in the Fund in accordance with its Agreement to Participate and these Terms and Conditions;

"**Participation**" the share in the Net Asset Value of the Fund by a Participant, as determined by these Terms;

"**Purchase Date**" the first Business Day following month-end, and/or another date as determined by the Investment Manager at its own discretion;

"**Redemption**" the purchase of Participations held by the Participant by the Fund, also referred to as withdrawal from the Fund;

"**Amendment Form**" the Form as attached in Appendix 3, or as determined by the Investment Manager, to be used by the Participant to request the Fund to purchase Participations;

"**Redemption Price**" the amount due by the Fund to a Participant for the Purchase of Participations as described in Article 13 of these Terms, after all expenses and taxes;

"**Register**" a register maintained by the Administrator which details the names, addresses and other information of each Participant, the price and date at which Participations have been obtained by each Participant;

"**Securities**" bonds, convertible bonds, equities, preferred equities, equity rights, warrants or any other financial instrument related to interests in listed companies;

"**Subscription**" process to acquire a Participation in the Fund;

"**Subscription Form**" document containing relevant information to subscribe to the Fund;

"**Tax Authority**" each entity, both in the Netherlands and abroad, that is authorised to charge and claim taxes;

"**Terms**" these terms for management and custody of the Fund, including its updates, as described by Article 21 of these Terms;

"**Total Issue Price**" the amount due by the Participant to the Fund, consisting of the Issue Price, plus transaction charges multiplied by the number of Participations;

"**Transaction Day**" the last trading day of each calendar month;

"**Valuation Date**" the last Business Day of each Month, the date at which the Balance Sheet of the Fund is determined, or any other date, as can be determined by the Investment Manager in accordance with these Terms;

"**Wft**" the Dutch Financial Supervision Act (as amended from time to time).

2 NAME, SEAT, PURPOSE, STRUCTURE AND DURATION NAME

- 2.1 The name of the Fund is Brand Capital Fund. The Fund has its seat at the office of the Investment Manager in The Hague, the Netherlands.
- 2.2 The Fund's goal is to invest the Fund Assets on behalf and at risk of the Participants, as well as the administration and custody of the Investments, and all activities that are related to this.
- 2.3 The Fund was established on 26 March 2018 for an indefinite period of time.
- 2.4 The Fund is a fund for joint account for investors. It is not a legal entity, partnership, commercial partnership or limited partnership, but an agreement between the Investment Manager, the Legal Owner and each of the Participants. This agreement, as set out in this Information Memorandum, regulates the management and the custody of the assets and liabilities acquired / contracted by the Fund at the risk and expense of the Participants. Since the Fund is not a corporate body, the Legal Owner is the legal owner of the assets and liabilities of the Fund. The Investment Manager manages the Fund and the Administrator is appointed by the Investment Manager to act in the interest of the Participants. Investments are held by the Custodians.
- 2.5 The legal relationship between the Participants, the Investment Manager and the Legal Owner is governed by the content of this Information Memorandum. By signing a request for issuance of Participations, a Participant accepts being bound to the content of the Information Memorandum. Participations only establish rights and obligations of the Participant towards the Investment Manager and the Legal Owner and not between Participants mutually.
- 2.6 The Participants in the Fund are jointly (each in proportion to the number of Participations held) economically entitled to the Fund assets. The assets raised by the Participants are intended for collective investment at their own risk and expense. The obligation of a Participant to pay for Participations to be issued is solely an agreement in regard to the Legal Owner and no contribution or obligation to make a contribution to the Fund.
- 2.7 The Fund, nor these Terms and Conditions, nor any activity that results from these Terms and Conditions, will result in the establishment of a partnership, "vennootschap onder firma", "commanditaire vennootschap", public company or "stille maatschap" according to Dutch Law. Therefore the Investment Manager, the Custodian, The Legal Owner, and the Participants cannot be considered as partners of the Fund.
- 2.8 Unless exceptional circumstances occur, the Fund will be obliged to issue Participations on every Transaction Day or purchase them at Net Asset Value.
- 2.9 Fund Participants shall comply with the criteria for Participation and will inform themselves of applicable regulations and need to be aware of the risks and fiscal treatment of Participation in the Fund. The Investment Manager and the Fund are not regulated and supervised by the DNB or the AFM, but will provide information to the DNB or AFM on a regular basis as stipulated by the provisions of Dutch Law and applicable Regulations.
- 2.10 Participations may only be sold to the Fund or be transferred to relatives by blood or by marriage in the direct line. The Fund is therefore not tax-liable for Dutch corporation taxes. Participants are not considered to hold a share in the Fund, but directly hold a share in the underlying assets and liabilities.
- 2.11 The Fund will not apply any leverage as described in the Guideline 2011/61/EU for Investment Managers.

3 THE INVESTMENT OBJECTIVE

The The Fund aims to realise long-term capital growth above market returns after deduction of costs by investing in listed companies which are associated with strong brand names as further specified in Appendix 1.

4 THE INVESTMENT MANAGER

- 4.1 The Investment Manager determines and carries out the investment policy according to the terms and conditions in this document. The Investment Manager decides on the investment activities including (i) Acquisition and Management of Assets on behalf of the Legal Owner, and on behalf of and at risk of the Participants and (ii) all other activities which help to achieve the Investment Objective, on behalf of and at the risk of the Participants.
- 4.2 For activities (i) and (ii) as described above, the Legal Owner grants the Investment Manager with full authority to act on behalf of the Legal Owner, as described in Article 7 in further detail.
- 4.3 The Investment Manager will take due care of its obligations and in the execution of its rights. It will make sure it has the capacity and resources to achieve the Fund's Investment Objective, as stipulated in the terms and conditions.
- 4.4 The Investment Manager will act solely in the interest of the Participants. The Management of the Fund will be at the expense of and at risk of the Participants. Profits and Gains are attributed to the Participants. The Investment Manager cannot represent the Participants.
- 4.5 The Investment Manager is only liable toward the Participants for the damage incurred by them, if and in so far as the damage is the result of wilful misconduct or gross negligence on the part of the Investment Manager.
- 4.6 The Investment Manager may use the services of third Parties to perform its duties as set out in these terms and conditions.
- 4.7 The Investment Manager of the Fund is JEB Capital Partners B.V. with its registered office in Den Haag, Netherlands.
- 4.8 The board of directors of the Investment manager consists of:

Edwin de Bruijn

Edwin is a co-founder of JEB Capital B.V. Previously he worked at Jefferies International Wealth Management after leaving his role as head of Morgan Stanley's wealth management activities for the Benelux region, where he served family offices, foundations and high net worth individuals. He also led the Investment Committee for the Swiss Bank's pension fund and served as a board member of the pension fund from 2005 till 2011. From 2007 till 2009, he served as an Investment Officer at a Luxembourg based family office.

Edwin holds an MBA from IESE Business School and has an MSc in Aerospace Engineering from the Delft University of Technology in The Netherlands.

Benoît Zingraff

Benoît is a co-founder of JEB Capital B.V. Prior, he served UHNWIs and family offices as a Senior Relationship Manager at Credit Suisse Private Banking in Zürich following the sale of Morgan Stanley Private Wealth Management to Crédit Suisse. Previously he led the development of Morgan Stanley Wealth Management from London for the French speaking countries serving UHNWIs and family offices. He was also the co-portfolio manager of a SICAV at Morgan Stanley Wealth Management. He previously worked at Citibank In Frankfurt and Crédit Commercial de France in Paris as a corporate banker. Benoit has been in the finance industry for nearly 30 years.

Benoît holds an MBA from the Wharton School and has an MSc in Mining Engineering from the Ecole des Mines in France.

Jérôme Koelewijn

Jérôme is co-founder of JEB Capital B.V. He has held international leadership positions in finance, technology, and advisory: over ten years in private-wealth and investment management at Morgan Stanley (officer, Swiss-based Benelux team) and Wealth Management Partners (partner, co-head institutions); and fifteen years in strategy consulting and corporate finance at Arthur D. Little (partner, co-head TMT sector) and Roland Berger (partner, co-founder Amsterdam office). Jérôme has two decades of early-stage and scale-up experience as office founder, board member, and private investor. He is an independent adviser to and investor in fin-, health- and clean-tech companies.

Jérôme is versed in five languages, having lived in five countries and worked in the majority of EU-15 countries. He holds an MSc in Applied Mathematics & Computer Science from Delft University of Technology and an MBA from IESE Barcelona and Columbia University New York.

- 4.9 The Investment Manager has appointed NGEN Capital Limited as an investment advisor. NGEN Capital is an FCA regulated Asset Manager and is specialized in the development, advisory and management of financial strategies. The dedicated Fund adviser on behalf of NGEN Capital Ltd. is William Mok.

William Mok

William joined NGEN from MSCI, the leading provider of investment indices, where he conducted research and development on MSCI/BARRA's Risk Premia or Smart Beta indices. In addition, he provided equity investment advice to the largest pension funds and sovereign wealth funds in Europe, Middle East & Africa. Before joining MSCI, he was a Vice President at Nomura International in London, managing the bespoke equity factor alpha solutions and advising institutional clients on index enhancement strategies and portfolio construction. Prior to Nomura, William worked as a senior quantitative analyst at Morgan Stanley Investment Management, where he developed equity strategies in a team that managed over \$4 billion.

William holds an MSc in Finance as well as a PhD in Mathematical Finance from Birkbeck College, University of London.

- 4.10 The Investment Manager may establish an Advisory Board to provide non-binding strategic advice to the Manager. Should the advisory board receive any remuneration for its services, this will be paid by the Investment Manager (and hence not by the Fund).

5 THE LEGAL OWNER AND THE CUSTODIAN

- 5.1 The Legal Owner has legal ownership of all assets of the Fund. The Legal Owner has appointed Caceis Bank NV, Northern Trust Global Services SE and Interactive Brokers Ireland Limited as the Custodian of the Fund's Assets.
- 5.2 All assets, acquired out of the Global Brands Universe as defined, that form part or will form part of the Fund have been, or will be, respectively, acquired by the Legal Owner in its own name at the expense and risk of the Participants. The Legal Owner will act exclusively in the interest of the Participants. The Legal Owner: (i) may only dispose of the assets of the Fund in concert with the Investment Manager; (ii) will grant the Investment Manager power of attorney to dispose of the assets of the Fund in the framework of regular management activities.
- 5.3 The Legal Owner can only perform its duties as the legal owner of the Fund, as stipulated by its articles of association. The Legal Owner cannot represent the Participants.
- 5.4 The Legal Owner will ensure that it will act in the capacity of Legal Owner of the Fund in its duties and obligations. The Legal Owner will perform its duties and obligations on behalf of and at risk of the Participants, subject to Article 8.2 of these Terms and Conditions.
- 5.5 The Legal Owner solely acts in the interest of the Fund. The Legal Owner will only be liable for damage incurred by Participants, if and in so far as the damage is the result of failure to properly comply with its obligations due to deliberate intent or negligence. The Legal Owner will not be liable for any damage caused by third Parties.
- 5.6 The Investment Manager has appointed the foundation "Stichting Bewaarder Brand Capital Fund" as Legal Owner of the Fund. The Legal Owner has its registered office at Prinses Margrietplantsoen 33, 2592 AM, The Hague, the Netherlands. It was established for an indefinite period of time on 20 December 2017.
- 5.7 The board of the Legal Owner is formed by JEB Capital B.V. with its registered office at Prinses Margrietplantsoen 33, 2592 AM, The Hague, the Netherlands.
- 5.8 The Investment Manager has appointed AssetCare Fund Services B.V. as Fund and Registry Administrator (together Administrator). Based on the agreement between the Administrator and the Investment Manager, which complies with the requirements relevant thereto as set in the applicable rules and regulations, the Administrator, subject to the supervision of the Investment Manager, will be responsible for:
- i. preparing and keeping the investment records and the financial records of the Fund;
 - ii. periodically calculating the Net Asset Value of the Fund and of the Participations;
 - iii. maintain the register of Participants (which includes informing Participants about mutations in the number of Participations they hold);
 - iv. the administrative processing of the issuance and purchase of Participations (which includes calculating the number of outstanding Participations);

to forward the annual tax statements to the Participants, upon request.

6 FUND NET ASSETS

- 6.1 The Fund's net assets consist of all the contributions to the Fund made by the Participants, which include all the assets which were acquired, dividends, capital gains or losses, and the accumulation of other entitlements minus liabilities.
- 6.2 The Investment Manager may hold cash balances to pay for fees, or other liabilities such as expenses and taxes. In addition, the Fund may hold larger temporary cash balances from new Participations in the Fund.
- 6.3 The Fund Assets may be used to pay for expenses and other liabilities which are deemed necessary to manage the Fund as stipulated by these Terms and Conditions. The Investment Manager will maintain a cap on the total expense ratio as described in Appendix 2.

7 AUTHORITY TO INVEST AND TO MANGAGE THE FUND'S ASSETS

- 7.1 As stipulated by Article 4 of these Terms, and in this Article 7, the Investment Manager is permitted to manage the Fund's assets. The Investment Manager will act according to the Investment Policy as detailed in Appendix 1.
- 7.2 The Investment Manager will not pledge the Fund's Assets for credit facilities.
- 7.3 The Investment Manager has full authority to invest in accordance with the Investment Objective as described in Article 3 of these Terms and Conditions. The Investment Manager has full discretionary authority to (i) maintain the Fund's investments as long as deemed necessary (ii) to manage the Fund's assets, or to sell or buy new shares of listed companies. The Investment Manager may only apply its authority to manage the Fund, in so far this helps to achieve the Fund's Investment Objective.
- 7.4 Subject to the clauses above, the authorities of the Investment Manager include (and if applicable on behalf of the Legal Owner):
- i. sign contracts if required or if related to the duties as described in this Article 7;
 - ii. to start legal proceedings, to defend itself in legal proceedings, or to settle proceedings if this is related to the Fund;
 - iii. to sign agreements (including labour agreements and agreements with contractors) with (legal) entities which is related to the management of the Fund, including but not limited to agreements with brokers, administrators, accountants, lawyers, consultants, banks, investment advisors, and other entities and pay compensation as deemed reasonable and necessary;
 - iv. to execute legal, statutory and possibly contractual shareholders- and other rights, including voting rights if deemed necessary, which are related to the Fund's assets and liabilities; and
 - v. to perform those activities, and sign agreements if necessary, if this contributes to achieve the Fund's Investment Objective;
 - vi. to act, at the request of a Participant, with a legal authority or mandate, as representative of this Participant, in Meetings of Participants or otherwise.
- 7.5 The Investment Manager can appoint and change the board of the legal owner, the administrator, broker(s), custodian and accountants. The Investment Manager will initially appoint the board of the legal owner, the administrator, the custodian, the broker(s), and the accountant.

8 RIGHTS OF PARTICIPANTS

- 8.1 Each Participant is economically entitled to the assets of the Fund in proportion to the number of Participations he or she holds.
- 8.2 The acquisition of Participations only creates rights and obligations for the Participant relative to the Fund and not relative to other Participants. Participants are not liable for obligations of the Investment Manager or Legal Owner. They are also not liable for any losses incurred by the Fund in so far as these do not exceed the level of the contribution paid up or to be paid up on their Participations.
- 8.3 Each Participant will receive a copy of these Terms and Conditions.
- 8.4 Each Participant is bound by these Terms and Conditions by signing the agreement to Participate. The Investment Manager may update and change these Terms and Conditions if this is deemed to be in the interest of the Participants. Participants will be notified if such changes occur.

9 PARTICIPATIONS

- 9.1 The Participations are held in the Name of Participants. Each participation has a nominal value of EUR 100,00. Each Participation of the same share class, represents an equal share in the value of the Fund's Assets and Liabilities, and each Participation represents equal legal rights. The Fund will issue three (3) different share classes, i.e. the F-share class, the I-share class and the J-share class.
- 9.2 The Fund Manager maintains a Register and can rely on the information as provided by each Participant. The Investment Manager may consider the information as provided by the Participant as correct and accurate, and in relation to the rights as represented by its Participations.

The Investment Manager is not bound by:

- i. changes in the registered information without notification to the Investment Manager or the Administrator as described by Article 9.3 of these Terms; or
- ii. entitlements to Participations by persons who are not registered in the Register.

The Investment Manager may be required to obtain and maintain details about each Participant, including the Ultimate Beneficial Owner (UBO) for a defined period of time to help combat money laundering and financing of terrorism, and for other purposes such as assuring compliance with sanctions lists, as stipulated by applicable Law and Regulations. The Investment Manager will be bound by the new provisions as set by the General Data Protection Regulation (GDPR) which came into force on 25 May 2018.

- 9.3 Each Participant shall inform the Investment Manager if there are changes in the information as known in the Register, as stipulated by Article 9.2 of these Terms and Conditions. Upon receipt of such change, the Administrator will change the Register accordingly.
- 9.4 Within 10 working days after initial subscription, or when changes have been made in the Register, the Investment Manager will send a copy of the information in the Register tot the participant. The copy will only serve as proof of registration or of the changes made in the register, and it is not transferrable. It only serves to show the information on the Participant.
- 9.5 Upon request, the Investment Manager can provide a copy of the information in the Register to a Participant, which shows the information of the Participant in the Register. This copy will only show the information of the Participant, not of others. Participants are under no circumstance entitled to receive information on other Participants and each Participant agrees to not appeal to article 843a of the "Wetboek van Burgerlijke Rechtsvordering", or use any other basis, to claim information or claim insight into information which is held by the Fund, including but not limited to the Register, if this would lead to information about other Participants.

- 9.6 The Investment Manager may provide information from the Register to the Tax Authorities and other official bodies, as described in Article 9.2 of these Terms, subject to legal or other grounds for the Investment Manager to do so, if this helps serve the interest of the Legal Owner, the Fund or a Participant. This information may also relate to the execution of tax treaties between relevant tax regulations of the source of income and capital gains, and the applicable tax regulations in the country of domicile or residence of the Participant of the Fund. Currently, the Investment Manager is not obliged to provide such information to foreign tax authorities.
- 9.7 The Investment Manager or Legal Owner may delegate all or part of its activities resulting from Article 9 to the Administrator.

10 DETERMINATION OF THE NET ASSET VALUE OF PARTICIPATIONS

- 10.1 The Net Asset Value of the Fund will be determined after market close on the last trading day of each month. In principle, the Net Asset Value and the Net Asset Value per Participation, will be determined in euros (the Fund Currency) by the Investor Manager and the Net Asset Value will be notified to Participants as described in Article 14 and 15 of these Terms.
- 10.2 Article 10.1 will not apply if the Investment Manager cannot determine the Net Asset Value and the value of each Participation under the following conditions:
- i. one or more stock markets or markets where a considerable portion of the investments of the Fund are listed or traded are closed, or else the trade in the investments of the Fund is limited or suspended;
 - ii. the means of communication or calculation facilities that are normally used for the determination of the value of the Fund do not function any longer or for some other reason the value cannot be determined with the speed or accuracy desired by the Investment Manager;
 - iii. the occurrence of circumstances (beyond the control of the Investment Manager) that are directly or indirectly connected with the political economic, military or monetary situation which may impede determining the value of the Fund;
 - iv. if the decision has been made to liquidate the Fund.
- 10.3 The Net Asset Value per Participation is equal to the Net Asset Value divided by the number of Participations on the relevant Valuation Date.
- 10.4 The Net Asset Value of the Fund will be determined by the Investment Manager on the basis of generally accepted accounting principles of valuation in the Netherlands, more specifically:
- i. investments are valued against the most recent official price (closing rate) of the day preceding the Valuation Day on which the relevant stock market or other regulated market was opened;
 - ii. all investments of which no price is published will be valued by the Investment Manager on the basis of valuation principles considered acceptable according to general standards ("fair value");
 - iii. assets and liabilities issued in foreign currency are converted into euros against the exchange rate on the last Working Day preceding the Valuation Day as determined by the Custodian;
 - iv. immediately due and payable liquid assets and deposits are valued at nominal value;
 - v. other assets and liabilities are valued against nominal value.
- 10.5 Reasonable decisions by the Investment Manager related to the determination of the Net Asset Value, including the decision whether a method to determine the Market Value is fair, and the selection of experts to help determine the Value of assets and liabilities, are binding to the Participants.
- 10.6 The Investment Manager may delegate all or part of its activities resulting from Article 10 to the Administrator.

11 ISSUANCE OF PARTICIPATIONS

- 11.1 The Investment Manager will determine the Issue Price as per the Issuance Date, in accordance with Article 10 of these Terms and Conditions, as well as other criteria, including the payment for the Participation. Participations will only be issued if the payment for the Participations has been received within the indicated time frame.
- 11.2 The issuance of Participations is bound by a minimum commitment to Participations of EUR 100,000.- per Participant for I-class shares and EUR 1,000,000.- for F-class shares, which will be paid into the Fund by the Participant to receive the Participations. Subsequent deposits need to be in excess of EUR 25,000.-. J-class shares will be issued at the discretion of the Investment Manager. Payments are to be made in cash. At the discretion of the Investment Manager, payments may be made by means of a securities transfer.
- 11.3 Despite Article 11.2 of these Terms, the Investment Manager may decide at its own discretion to whom to issue participations, or to suspend or stop the issuance of Participations.
- 11.4 A transparent entity can be a Participant for Dutch fiscal purposes.
- 11.5 In case of direct subscription, a request for issuance of Participations must be submitted (as indicated on the Subscription Form) to the Investment Manager no later than 17.00 CET on the business day prior to at least five (5) business days to the desired Transaction Day. This request requires the use of a special form (the "Subscription Form"), which is available from the Investment Manager or the Administrator. By signing a Subscription Form, a Participant accepts to be bound by the content of the Terms and Conditions.
- 11.6 The Legal Owner issues Participations to Participants at the Transaction Day, subject to full payment to the Fund of the Value of the Participations, according to the terms as determined by the Investment Manager.
- 11.7 If Participations are issued to Participants, a fee of 0.2% for I-class shares, and 0.1% for F-class and J-class shares will be charged to the subscription price multiplied by the number of Participations issued. This fee will be added to the fund and serves to cover the transaction cost, and the registration fee for the Participations Register. For any subsequent subscriptions, a fee of 0.05% will be charged and added to the fund to cover the transaction cost. The Investment Manager may reduce this fee at its discretion if transaction cost are expected to be lower than the stated fee.
- 11.8 From 1 January 2013, the American Foreign Account Tax Compliance Act ("FATCA") came into effect in phases. This American law envisages the prevention of tax evasion by American taxpayers ("US Persons") abroad. Under FATCA, the Fund is regarded as a Foreign Financial Institution ("FFI"). This is the reason why the Fund must verify whether its Participants are US Persons. Reporting (on the basis of an agreement between the Netherlands and the USA) is effected by the Administrator, by way of the Dutch Tax Authorities. In this regard, it is necessary for the Fund to determine which Participants can be regarded as US Persons. When the Participant enters the Fund, the Participant must submit the necessary information (as stated in the Subscription Form) in order for it to comply with its obligations as FFI. The Fund is bound by the Common Reporting Standard (CRS).
- 11.9 The Investment Manager may delegate all or part of its activities resulting from Article 11 to the Administrator.

12 TRANSFER AND PLEDGING OF PARTICIPATIONS

- 12.1 In connection with the requirements for fiscal transparency of the Fund, Participations can only be transferred to the Fund (for purchase) or to relatives by blood or by marriage in the direct line. Each other sale, transfer or pledge is excluded. In the event that Participations are held for the benefit of a party economically entitled thereto, for example by a bank for clients of that bank, the holder in question of such Participations will not cooperate with a transfer of the economic rights pursuant to Participations to third parties who are no relatives by blood or by marriage in the direct line of the economically entitled party.
- 12.2 For the same reason, Participations may not be encumbered with limited rights or rights comparable thereto;
- 12.3 Each transfer which is not compliant to Articles 12.1 or 12.2 of these Terms is not legally binding;
- 12.4 In case of a transfer of Participations by a Participant to a relative by blood or by marriage in the direct line of the Participant, such transfer will be formalized by a legally valid document, and the Investment Manager shall be notified accordingly.

13 PURCHASE AND REDEMPTION OF PARTICIPATIONS

- 13.1 Each Participant has the right to have the Fund purchase all or part of their Participations in accordance with the conditions as described in this Article 13.
- 13.2 The Investment Manager and the Legal Owner are entitled (but not obliged) to purchase all (and not a part of) the Participations of a Participant:
- i. in case the Participant has (a) ceased to exist; (b) filed for bankruptcy, has suspended payments or applied for debt restructuring, or (c) the Participant is not able to pay for its outstanding loans or debt;
 - ii. if according to reasonable judgment of the Investment Manager, the fiscal status of the Legal Owner, the Fund, or one of the other Participants is or might be negatively impacted, by the fiscal status or change thereof of the Participant, or any other circumstance related to this Participant, or;
 - iii. in case the Participant no longer qualifies as professional investor;
 - iv. if, for any reason, a continuation of the relationship cannot reasonably be expected by the Investment Manager and/or the Legal Owner.

Each Participant agrees that it will notify the Investment Manager immediately of any change or expected change as described above.

- 13.3 Purchase of Participations as described in Article 13.1 of these Terms can occur on a Purchase Date. Purchase of Participations as described in Article 13.2 of these Terms can be done at any time.
- 13.4 A request for Purchase by a Participant is to be started with the completion of the Amendment Form by the Participant. Amendment Forms are made available by the Administrator. Completed Amendment Forms need to be send to the Administrator no later than 17.00 CET on the business day prior to at least ten (10) business days to the desired Transaction Day. Untimely receipt of Amendment Forms will cause a delay in Redemption tot the next available Transaction Day. Redemptions Forms can be send by email, but payment of proceeds will only be completed once the original Redemption From has been received.
- 13.5 A request to partial purchase of Participations may be refused, or Participations may be purchased in full, if the Value of the Participations held by the Participant falls below the threshold value as defined in Article 11.2 of these Terms.
- 13.6 Amendment Forms received by the Administrator are irreversible, unless the Investment Manager decides otherwise. Redemption requests can be refused if this would be against the procedures to prevent money laundering and the financing of terrorism according to Dutch Law, or according to similar procedures and measures by other jurisdictions. The Investment Manager and Legal Owner will make an effort to purchase Participations at any time, but cannot guarantee such purchase under certain circumstances.

- 13.7 The Investment Manager and the Legal Owner may limit the purchase of Participations to a maximum of 50% of the Net Asset Value on the last Valuation Day preceding the Purchase request. In this case, the number of Participations that can be purchased per Participant will be divided according to the number of Participations offered for Purchase per Participant. The remaining Participations which were offered for purchase will be purchased at the next available Purchase date.
- 13.8 The Investment Manager and the Legal Owner can delay purchase if:
- i. the transfer of the proceeds from sale of securities held by the Fund cannot be realized at reasonable currency rates;
 - ii. stock exchanges are closed or if the sale of securities held by the Fund is otherwise affected or postponed;
 - iii. in case of an emergency where the sale of securities would be impractical or if this would negatively influence the rights of other Participants;
 - iv. the Participant has not complied with applicable law or with these Terms; or
 - v. any other reason which would prevent an immediate or fair calculation of the Value of the Fund's Assets.
- 13.9 The Purchase Price per Participation is determined by the Net Asset Value per Participation as defined by Article 10.
- 13.10 A fee of 0.2% for I-class shares, and 0.1% for F-class and J-class shares, of the total Purchase price will be charged to the Participations purchased from the Participants. This fee will be added to the Fund's assets, and serves to cover the transaction cost. To any redemption within 12 months of subscription, a fee of 3% will be added to both share classes. This fee, minus the applicable normal redemption fee as mentioned in this paragraph, will be paid to the Investment Manager.
- 13.11 The total proceeds from purchase will be transferred to the Participant within five (5) Business Days after the relevant Purchase Date, unless exceptional circumstances occur, in which case the transfer will be executed on the earliest possible business day.
- 13.12 All Participations which are not purchased according to this Article 13, cannot be held by the Legal Owner and will be cancelled.
- 13.13 The Investment Manager will register relevant changes upon purchase in the Register, including cancellations of Participations.
- 13.14 The Investment Manager may delegate all or part of its activities resulting from Article 13 to the Administrator.

14 NOTIFICATIONS

- 14.1 All notifications to Participants will be send to the registered addresses of the Participants, or email addresses as provided by Participants.
- 14.2 All notifications and changes to the Investment Manager, the Legal Owner or the Administrator should be send by email, or to the following addresses, or to the addresses which are made known to the Participants:
JEB Capital B.V., WTC Business Center, Prinses Margrietplantsoen 33, 2295 AM Den Haag, Netherlands
AssetCare Fund Services B.V., Eurocenter 1, 7th Floor, Barbara Strozziilaan 310, 1083 HN Amsterdam, Netherlands
- 14.3 The Investment Manager may enable and allow communication with Participants under certain conditions and situations.

15 REPORTING

- 15.1 Within ten (10) business days after a Valuation Date, or as often as deemed necessary by the Investment Manager, the Investment Manager will send information related to the Fund to the Participants. This information will include:
- i. the Net Asset Value and the Net Asset Value per Participation as per the Valuation Date;
 - ii. the number of Participations per Participant (but no information on other Participants) and the total value of these Participations as per the Valuation Date.
- 15.2 The Investment Manager will provide information for tax filing purposes upon request, and subject to reasonable availability of the information. The Investment Manager will not accept any liability with regards to this information.
- 15.3 The Investment Manager may delegate all or part of its activities resulting from Article 15 to the Administrator.

16 ANNUAL REPORT

- 16.1 The fiscal year of the Fund is equal to calendar years. The first fiscal year of the Fund started on 1 March 2018 and ended at 31 December 2018.
- 16.2 The Investment Manager prepares the annual report and annual accounts, consisting of the balance, the profit- and loss statement and comments if required. The annual accounts will be signed by the Investment Manager.
- 16.3 The Investment Manager shall appoint an accountant to verify the annual report in accordance with, and if required by, relevant Dutch Law.
- 16.4 The annual report of the Fund will be send to Participants upon request, and shall be made available to Participants at the Administrator's office.
- 16.5 The Investment Manager aims to have the annual report ready within four months after the relevant fiscal year.
- 16.6 The Investment Manager may delegate all or part of its activities resulting from Article 16 to the Administrator.

17 INCOME AND GAINS

- 17.1 Other than Article 17.2 of these Terms, The Investment Manager is free to invest all income and capital gains as achieved by the Fund.
- 17.2 The Investment Manager may decide to distribute income to Participants at its own discretion, and in proportion to the number of Participations held by each Participants. Such distribution will be notified to Participants in accordance with Article 14.1 of these Terms.

18 FEES AND COSTS

- 18.1 The Fund charges a fixed management fee of 0.6% per annum for F-Class Participations, 0.75% per annum for I-Class Participations and 0.4% for J-class participations of the Net Asset Value on the Valuation Day. Fees will be accrued monthly and paid quarterly from the Fund's assets.
- 18.2 All other Fund related cost are summarized in Appendix 2.

19 MEETING OF PARTICIPANTS

- 19.1 Each Participant has one vote in the Meeting of Participants.
- 19.2 Meetings of Participants are held at the request of the Investment Manager. The Investment Manager shall announce the meetings as described below.
- 19.3 The Investment Manager shall organize a Meeting of Participants if this is deemed in the interest of Participants.
- 19.4 Participants can initiate a Meeting of Participants at any time, if this is deemed in the interest of Participants. Participants requesting a Meeting will pay for the costs associated with the arranging this meeting.
- 19.5 Meetings of participants shall be held at a venue chosen by the Investment Manager. Requests to attend a Meeting of Participants will be done in accordance with Article 14.1 of these Terms and at least eight (8) business days before the Meeting. The Meeting invitation will mention the venue, date, time and the agenda.
- 19.6 Participants planning to join the Meeting of Participants shall inform the Investment Manager in writing at least three (3) business days prior to the Meeting. Participants who notified their attendance according to this Article 19, have the right to be heard during the meeting, and execute their voting rights.
- 19.7 The Investment Manager appoints a Chairman and a Secretary for the meeting of participants. The Chairman is responsible for the organization of the Meeting. The Secretary is responsible for the preparation of the Meeting of Participants and the recording of the minutes of the Meeting.
- 19.8 The agenda for the Meeting of Participants is determined by the Investment Manager, unless a Meeting has been called by Participants, in which case the agenda will be determined by the relevant Participant(s).
- 19.9 Each Participant is entitled to attend the Meeting of Participants in person, or appoint a power of attorney in writing, and each Participant is entitled to be heard during the Meeting. The Investment Manager needs to be informed on the existence and scope of the power of attorney. None of the other Participants can assume the rights and vote of other Participants without a verified power of attorney. The List of Participants attending the Meeting will be signed by the person holding the Power of Attorney in its own name, with reference to the existence of the Power of Attorney and the number of Participations which are represented by the Power of Attorney.
- 19.10 If allowed by the Investment Manager, and as communicated to the Participants, each Participant is entitled to, in person or by an officially verified representative, participate to the Meeting of Participants by means of electronic communication (including but not limited to phone), and has the right to be heard and vote, subject to the ability of the Investment Manager to identify the Participant.
- 19.11 The Investment Manager is entitled to determine the terms and conditions of the use of means of electronic communication. Such terms and conditions will be communicated to the Participants in the invitation to the Meeting of Participants.

20 DISMISSAL AND REPLACEMENT OF THE INVESTMENT MANAGER OR THE LEGAL OWNER

- 20.1 The Investment Manager or the Legal Owner will resign from its duties:
- i. if the Investment Manager or the Legal Owner cease to exist;
 - ii. by voluntary decision;
 - iii. if the Investment Manager or the Legal Owner are declared bankrupt or has applied for an official moratorium;
 - iv. if the Meeting of Participants decides to dismiss the Investment Manager and/or the Legal Owner.
- 20.2 The decision by the Meeting of Participants to replace the Investment Manager or the Legal Owner needs to have unanimous approval by all Participants, whereby all Participants need to be present. A decision to replace the Investment Manager or the Legal Owner, will be considered a decision to instruct the Investment Manager to liquidate the Fund according to Article 22.
- 20.3 If the Investment Manager or the Legal Owner wants to resign from its duties in accordance with Article 20.1(ii) or has to resign in accordance with Article 20.1(i) or Article 20.1(iii), a Meeting of Participants will be called within ten (10) business days where the decision will be made regarding the replacement of the Investment Manager or the Legal Owner. Participants will be notified of such changes.
- 20.4 If the board of the Legal Owner is no longer performing its duties for any reason, the Investment Manager is then entitled to appoint another board for the Legal Owner. The Investment Manager is bound to inform the Participants within fourteen (14) business days of such change.
- 20.5 The Investment Manager and/or the board of the Legal Owner shall cooperate fully with the transfer of its duties to a successor. The board of the Legal Owner shall perform all required duties to enable the transfer of the Fund to the newly appointed board of the Legal Owner. The Investment Manager and the board of the Legal Owner will indemnify its successors for any loss that may result from a shortfall in the cooperation required for the transfer of duties. In addition, the Investment Manager and/or the board of the Legal Owner will indemnify its successor for all actions which do not comply with these Terms and Conditions, or with applicable law or regulations, during the period the Investment Manager or board of the Legal Owner was performing its duties.
- 20.6 The above also applies if the Legal Owner has appointed a third party to custody all or part of the Fund's assets. In such case, the Legal Owner will guarantee the performance of its duties as described in this Article 20 by the appointed third-party custodian, and the Legal Owner indemnifies its successors for losses caused by the third-party custodian.
- 20.7 If no other Investment Manager or Legal Owner is appointed within eight weeks after the decision was made to replace the Investment Manager or the Legal Owner, the Fund will cease to exist and liquidated in accordance with Article 22 of the Terms, unless the Meeting of Participants decides otherwise.

21 CHANGES OF TERMS

- 21.1 The Terms can be changed by the Investment Manager.
- 21.2 The Investment Manager and the Legal Owner will notify the Participants at least ten (10) business days before the changes enter into force.
- 21.3 Changes in these Terms which affect the rights of Participants to a large extent, or which will lead to higher cost to Participants, will not enter into force up to five (5) days after the Date of approval for such change(s), but not earlier than the first date at which the NAV will be determined. During this period, Participants are entitled to request the purchase of their Participations by the Fund, subject to the provisions in these Terms and Conditions, and in particular the provisions in Article 13 of these Terms.
- 21.4 Changes in Terms will be communicated by the Investment Manager promptly following the change by sending the newly drafted text of the Terms.

22 LIQUIDATION

- 22.1 The Investment Manager is entitled to liquidate the Fund subject to informing the Participants.
- 22.2 The liquidation will be initiated by the Investment Manager. During this process, these Terms will continue to apply, if possible.
- 22.3 The proceeds of the liquidation of the Fund's assets, after paying outstanding liabilities, will be distributed amongst the Participants according to their share in the number of outstanding Participations, after which these Participations will cease to exist. This cancellation of Participations will be recorded and communicated to the Participants, and the composition of the paid-out proceeds shall be provided in accordance with the provisions in Article 14.1 of these Terms.
- 22.4 The Investment Manager shall prepare liquidation accounts, accompanied by a declaration of the person as referred to in Article 16.3 of these Terms. If the Meeting of Participants has provided unanimous approval for these liquidation accounts, The Investment Manager and the Legal Owner will be given discharge of their duties, unless the Meeting of Participants has made such discharge conditional.

23 APPLICABLE LAW AND APPROVED COURT

- 23.1 These Terms are subject to Dutch Law en should be interpreted accordingly. All disputes arising from these Terms and Conditions (including changes thereof), shall be settled through the court of Amsterdam and the relevant courts of appeal.
- 23.2 These Terms and Conditions remain valid until they are changed in accordance with Article 22 of these terms.

APPENDIX 1 INVESTMENTS

Investment policy

Active management

The Fund is actively managed. Active investing is compiling a portfolio of investments that intentionally deviates from a representative market index. The Investment Manager is of the opinion that this will result in a higher return in regard to an index or the general market. By choosing companies which are associated with strong brand names, the Investment Manager aims to deliver above-market returns at below-market levels of risk.

As we employ a systematic approach to investing, the Investment Manager will screen its portfolio of companies on a regular basis and buy shares of companies if its financials are deemed attractive, or when shares are relatively cheap and will sell shares of companies if its financials are deemed unattractive, or when shares have become relatively expensive. Although the cost may be higher than passive investing (also referred to as “index investing”), the Investment Manager is of the opinion that the compilation of a portfolio of investments which are selected on a fundamental basis from a universe of global companies associated with strong brands, will result in better returns than investments in a wide selection of shares (the global index).

Shares

The Fund endeavours to realise the investment objective by investing in listed shares of approximately 35 companies, which are selected from a larger universe of companies associated with strong brand names. Only developed markets will be considered, and no regional restrictions will be applied.

Cash, deposits, bonds and money market funds

A small portion of the fund may be held in cash, short-term interest-bearing deposits at a prestigious bank, or in (government) bonds or investment funds that invest in money market products or bonds. The Investment Manager will not engage in market timing and will not maintain tactical allocations to cash. The Investment Manager may hold cash in the Fund's cash account which is received from new participations in the Fund.

Leverage

The Investment Manager will not apply any financial leverage to the portfolio.

Derivatives for hedging of currency risk

The Investment Manager will not use derivatives to hedge the currency risk that arises when a transaction is made in a share listed in a foreign currency. This currency risk is the risk that the price of this foreign currency decreases or increases in the period after the conclusion of a transaction and its settlement. Investors are recommended to review, and if required manage, the incremental currency risk that the investment in the fund will have on their overall currency exposure.

Markets where investments may be made

The Fund may invest in financial instruments that are traded at regulated stock exchanges and regulated other markets. It applies here that in case of delisting of a company, the Fund will sell its shares.

Use of ESG (Environmental, Social, Governance) criteria

The Investment Manager will use the same exclusion criteria as maintained by Norges Bank, one of the leading companies in developing and implementing ESG criteria, with a maximum delay of 3 months. The Investment Manager cannot be held liable for any omission of the above mentioned exclusions, as the implementation of the above mentioned exclusions is dependent on third parties. Norges Bank works with principles based on good corporate governance and environmental and social conditions, in accordance with internationally recognised principles and standards such as the UN Global Compact, the OECD's Principles of Corporate Governance and the OECD's Guidelines for Multinational Enterprises.

Investment style

General

The Brand Capital Fund will invest in approximately 35, mainly European and North American, listed enterprises which are associated with strong brand names. The Investment Manager will select enterprises which in its opinion are undervalued at the time of investing, in regard to the value determined by the Investment Manager based on its own fundamental analysis.

Fundamental analysis

In order to form an opinion on the valuation of an enterprise the Investment Manager will perform a thorough fundamental financial analysis, which includes a large number of different factors concerning the enterprise.

Companies will be assigned a score, largely based on the F-score framework of Professor Piotroski (Stanford USB) which can be summarized as follows:

Profitability

Is the company making a profit?

Is it generating cash?

Is it making more cash than it's reporting as profit?

Is it more profitable than it was last year?

Funding

Is the company's long-term debt reducing or stable?

Is it increasing its ability to pay short-term debts?

Is the company trading without having to raise funds from shareholders?

Efficiency

Is pricing power improving and/or costs reducing?

Is it more productive than last year?

In addition, the investment manager will systematically include the opinions of bank analysts; if the company ranks high on fundamentals, but low on positive analyst coverage, its overall score drops.

Investment universe

The Investment Manager has compiled an “investment universe” of the Fund, consisting of enterprises associated with strong brands in which may be invested, in principle. This universe will be updated on a regular basis.

Investment methodology

The Investment manager will normally rebalance the portfolio on a quarterly basis, but has no obligation to do so. In addition to the factors as described above, the investment manager aims to minimize the volatility of the overall portfolio by assigning different weights to individual stocks, and by favouring less volatile sectors.

Voting behaviour in shareholders meetings of participations

In principle, the Fund will normally not actively exercise its legal right to vote as shareholder in enterprises.

Investment restrictions

Carrying out the investment policy, the Investment Manager will comply with the following restrictions:

Maximum number of share positions: the Fund will hold no more than 45 interests;

Maximum individual position: an individual position of the Fund may not be expanded by purchases as soon as these represent more than 10% of the Net Asset Value of the Fund (the Investment Manager will reduce any individual position to less than 10% within 90 days);

Market capitalisation: focus on large caps, but manager may invest in small-mid caps;

Maximum financing: no leverage will be applied;

Lending out shares: it is not permitted to lend out shares;

Short positions: it is not permitted to create short positions;

Derivatives: it is not permitted to use derivatives.

A violation of an investment restriction as a result of concluding a transaction (an “active” violation) must be reversed within one Working Day. If another violation occurs (a “passive” violation), the Investment Manager will attempt to remedy this as soon as possible, however no later than within a term of three (3) calendar months.

Risk Factors

Interested investors are expected to take note of the risks in connection with participation in the Fund. A careful selection of the investments and compliance with the investment restrictions provide no guarantee for positive returns.

The most significant risks to investing in the Fund are the following.

Return risk

The return on the investment in Participations for the period from the moment of purchase until the moment of sale will not be determined until the moment of sale of that investment. There is no guarantee whatsoever that the investment objective will be achieved and there is no guarantee of a return. Among other things, the value of Participations also depends on the value development of the investments of the Fund and of the choices made in carrying out the investment policy.

General market risk

The value of the Fund is subject to the general risk of the fall and rise of financial markets. The value of investments may fluctuate. There is a chance that the Participants receive less than their investment in return.

Currency risk

Investing in the Fund carries financial risks. Investors should be aware that the market price of the securities in which the Fund takes positions may fluctuate. In the past, stock markets have generated favourable returns. However, this is no indication or guarantee for the future. Currency fluctuations may also subject the Net Asset Value to fluctuations, which may result in the Participants not receiving their full investment in return upon termination of their participation in the Fund.

In principle, the Fund does not hedge the currency risk of investments that are quoted in currencies other than the euro. This may cause both negative as well as positive fluctuations in the Net Asset Value of the Fund.

Risk of investments not developing according to expectations

The Fund invests in enterprises of which the market value, in the opinion of the Investment Manager, is higher than the current market price. No guarantees can be given that the Fund will succeed in selling its investments at a proper valuation and that the desired return is realised upon sale. There are situations conceivable in which the undervaluation proves to be structural. No guarantees can be given that analyses of the Investment Manager, which include those of expected developments, will prove to be correct in the short term or long term, which may result in a loss for the Fund.

Dependency on specific persons

The investment policy of the Fund is executed by persons employed or contracted by the Investment Manager. In the unlikely event that one of these persons ceases to be engaged with the Investment Manager, it may affect the investment policy to be carried out.

Concentration risk

Since investments will be made in a limited number of enterprises this may lead to stronger fluctuations of the Net Asset Value of the Fund compared to a portfolio with a larger number of stocks. The strategy of the Fund may cause the return to significantly deviate from share indexes.

Risks of a general economic and political nature

Investments of the Fund may be subject to risks of a general economic nature, such as a decline in economic activity, a rise of the interest rates, inflation and an increase of the prices of raw materials. The value of investments of the Fund may also be affected by (geo)political developments.

Liquidity risks of investments

The Fund has a focus on companies with a large market capitalization, and the Investment Manager does not expect that the liquidity of the underlying companies will be a major risk factor.

Operational risk

There is a risk of losses incurred through failures in internal processes and systems, human errors or external events

Settlement risk

There is a risk of settlement by way of a payment system not being effected according to expectations, due to payment or delivery of financial instruments by a counterparty not being made, not being made in time or not being made as expected.

Risk of limited purchase option

Participations may only be transferred to the Fund. In principle, the Fund will only be obliged once a month, on a

Transaction Day, to purchase Participations, while the Investment Manager will under certain circumstances be authorised to suspend purchase or to only partially grant requests for purchase.

Risk of loss of assets given in custody

In case of insolvency, negligence or fraudulent acts from the Legal Owner or a sub-custodian, there is a risk of loss of assets given in custody.

Counterparty risk

There is a risk of an issuing institution or counterparty remaining in default of compliance with its obligations.

System risk

World events or activities of one or more large parties in the financial markets may result in a disruption of normal operations of these financial markets. This could cause great losses as a result of liquidity risks or counterparty risks attained through this disruption.

Risk of (fiscal) legislative amendments

There is a risk of the tax treatment of the Fund changing in a negative sense or existing financial rules and regulations being amended or new financial or other legislation being established with a negative effect on the Fund and its Participants.

Inflation risk

There is a risk that the purchasing power of invested amounts may decrease in case of monetary depreciation.

Erosion risk

If the Fund decreases in size (through withdrawals and/or decrease of the value of the investments) the fixed costs of the Fund will weigh heavier on the (remaining) Participants, compared to when the Fund remains similar in size or increases. This risk is mitigated as the Investment Manager will absorb specified costs above a certain threshold.

APPENDIX 2 FEES AND COSTS

Non-recurring costs (at the expense of the Participant in question)

Surcharge at issuance and redemption of Participations

The costs at issuance amount to 0.2% for I-class shares, and 0.1% for F-class and J-class shares, of the Net Asset Value per Participation. The proceeds will be added to the fund to cover the transaction cost, and the cost related to registration in the Participants register. For any subsequent subscriptions, a fee of 0.05% will be charged and added to the fund to cover the transaction cost.

Margin at purchase of Participations

The costs of purchase by the Fund (if purchase is effected within twelve (12) months after the Participations were acquired by the Participant in question) amount to 3% of the Purchase Amount or else (if the purchase is effected at a later time) 0.2% for I-class shares, and 0.1% for F-class and J-class shares, of the Net Asset Value per Participation. For Partial redemption (partial purchase) of Participations, a fee of 0.05% will be charged and added to the fund to cover the transaction cost.

Recurring costs

General

The costs and fees referred to here below that are not expressed as a percentage of the Net Asset Value of the Fund, but as an amount, may be subject to change as a result of the applicability of indexation clauses and rate increases. The Investment Manager considers such increase not as a change in the conditions to be communicated to the Participants, unless this concerns an increase in excess of 0.2% of the Net Asset Value.

Reservation for costs

In principle, the reservation for all costs and fees hereinafter will be effected monthly, at the expense of the capital of the Fund.

Fees Investment Manager (A)

The Investment Manager will charge the following fees to the Fund:

A management fee of 0.6% per year of the Asset Value for the F-share class as per the last day of the preceding calendar month, to be paid monthly in arrears.

A management fee of 0.75% per year of the Asset Value for the I share class as per the last day of the preceding calendar month, to be paid monthly in arrears.

These fees will not be subject to VAT.

The F-share class is limited to Participants who commit at least €1,000,000.- to the Fund. The Investment Manager can close this share class to new Participants at its discretion.

The I-share class is available for Participants who commit at least €100,000.- to the Fund.

The J-class share class is available at the discretion of the Investment Manager, but would normally require a commitment of at least €20,000,000.-.

The Investment Manager is free to negotiate other fee arrangements for Participants who contribute a meaningful amount to the Fund, and the Investment Manager may accept a limited group of investors in the F-class with a minimum investment of €100,000.-. Such different fee arrangement may include lower subscription fees, but will

always be equal to, or higher than, the actual subscription related fees (so that no negative impact on existing participants will occur).

The Investment Manager is entitled to adjust the percentage of the management fee to changed (market) circumstances. In case of an increase this will only become effective one month after the change has been made known to the Participants at their addresses. During this period Participants may enter and withdraw under the usual conditions.

Fee Custodian (B)

The Custodian receives a monthly fee for keeping the financial instruments of the Fund in custody. Besides this, the Custodian receives a fee for each share transaction. These costs are exempted from VAT.

Fee Legal Owner (C)

The Legal Owner is currently not entitled to a fee. Should this change, then this fee will be subject to VAT.

Fee Administrator (D)

The Administrator receives a fee which is a combination of a fixed fee and a decreasing number of basispoints when the total AUM of the Fund increases. Details of this fee can be shared upon request. . These fees will not be subject to VAT.

Registry Fee Administrator (E)

The Administrator receives a fee per (new) Participant of € 200 per annum from the Fund for investor services, consisting of:

Maintaining a copy of the investor register;

Collecting and collating investors anti-money laundering (AML) and due diligence documentation (including FATCA);

Answer all investor and potential investor queries via phone and e-mail;

Issue investor statements and confirmation notes

The above fee will not be subject to VAT.

Costs in connection with the execution of the investment policy (F)

Transaction costs

Transaction costs are borne by the Fund. These costs are budgeted at approximately 5 basis points per year of the Net Asset Value of the Fund. This will not be subject to VAT.

Other costs

The other costs directly connected with the execution of the investment policy (interest costs and settlement costs) will also be borne by the Fund. Rates in line with the market will be agreed for these costs. These costs will not be subject to VAT.

Accountant's costs (G)

Accountant's costs, if any, will be borne by the Fund. This fee will be subject to VAT.

Cost Supervision/Legal (H)

All cost associated with supervision and legal advice will be paid by the Investment Manager. Should the Investment Manager decide to change the Fund's status to be regulated, then additional cost may be charged to the Fund. Participants will be notified accordingly.

Other costs (I)

The Investment Manager will aim to establish that the other costs, barring unforeseen circumstances, amount to no more than 0.015% on an annual basis of the average Net Asset Value of the Fund. The costs referred to include, but are not limited to, the costs in connection with: convening and holding meetings of participants, any costs for legal and fiscal advice. These costs will be subject to VAT.

Expense Cap

The Investment Manager will apply an expense ratio maximum of 0.3% on an annual basis of the average Net Asset Value of the Fund for all the fixed expenses as mentioned under D, and G. Should those expenses exceed 0.3% of the Net Asset Value of the Fund, then these fees will be paid by the Investment Manager.

Reservation for costs

In principle, the reservations for all the above-mentioned costs and fees are charged monthly to the Fund.

Costs borne by the Investment Manager

The following costs are to be borne by the Investment Manager:

personnel costs;

travel costs;

costs of the Advisory Board;

costs (external) compliance officer;

costs investment adviser;

costs of IT and data systems;

costs for maintaining the Website; marketing costs;

all other costs required for proper functioning of the Investment Manager.

Total costs (current expense ratio)

The (semi-) annual reports and the document containing essential investment information state the current expense ratio. This ratio provides insight into the total expense level of the Fund (excluding transaction costs and costs for entry and withdrawal). The current expense ratio is calculated in the manner as prescribed in the regulations.

In case of (an unchanged) fund size of EURO 100 million (Assets under Management), it is expected that the current costs on an annual basis will approximately be as set out in the table below.

Estimated Cost F-share class (AUM € 100 mn)	% AUM
Management Fee (A)	0.60%
B+C+D*+E+F+G*+I	0.180%
Total	0.78%

The cost items marked with * are subject to an expense cap as set by the Investment Manager.