

## Theta Legends Fund

### PURPOSE

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

### PRODUCT

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Product: Theta Legends Fund ("the Fund")  
Product manufacturer: Theta Fund Management B.V. ("Theta"), a 100% subsidiary of Theta Capital Management B.V. in Amsterdam  
Product Code: Class A – (Euro) - ISIN: NL0015000Q71  
Website: [www.thetacapital.com](http://www.thetacapital.com)  
Telephone: + 31 (0)20 5722 734  
Regulator: Autoriteit Financiële Markten (AFM), The Netherlands  
Document valid as at: 31<sup>st</sup> October 2022

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

### WHAT IS THIS PRODUCT?

#### TYPE

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

#### OBJECTIVE

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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.

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

#### INTENDED RETAIL INVESTORS

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

Investors should:

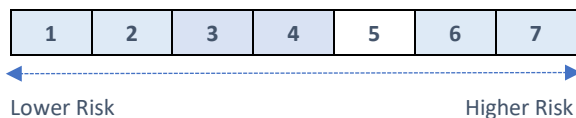
- Have experience with investing in hedge funds;
- Be prepared to accept the risk of a large loss in the value of the Fund and to be able to accept those losses;
- Not require income from the Fund;
- Expect to hold the Fund for a long period of time (5+ years);
- Be willing to accept higher costs and limited liquidity (Investors can redeem their capital every month with 90 days notice and may be limited to 10% per class);
- Be aware that redemption of participations in the fund may under certain circumstances not be possible;
- Be aware that the Fund is intended as a supplement to a well-diversified portfolio; and
- Be aware that the Fund does not take adverse sustainability impacts into account.

## TERM

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

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

### Risk Indicator



The risk indicator assumes you keep the product for 5 years. The actual risk may vary significantly if you sell earlier and you may not get your original investment back.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because the Fund is not able to pay you.

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future market performance at a medium level, and poor market conditions are unlikely to impact the capacity of the Fund to pay you. Because the Fund does not include any protection from future market performance, you could lose some, or all, of your investment. If the Fund is not able to pay you what you are owed, you could lose your entire investment.

The following risks, other than market risk, are not included in the risk -indicator, but are material, nonetheless. For a full description of the risks, please refer to the prospectus.

- *External Managers*  
the ultimate investment decisions are being made by the underlying external managers over which we have limited control.
- *Leverage*  
the underlying funds can invest more than 100% of the Fund's capital using borrowed money which can amplify both gains and losses.
- *Liquidity Risk*  
The liquidity of the underlying funds in certain circumstances can be limited or suspended by the underlying managers.
- *Sustainability risk*  
A change in regulation regarding sustainability may have negative effects on performance.

## PERFORMANCE SCENARIOS

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

### INVESTMENT OF **EUR 100,000**

SCENARIOS		1 Year	3 Years	5 Years (recommended holding period)
<b>STRESS SCENARIO</b>	<b>What you might get back after costs</b>	EUR 21,830	EUR 13,947	EUR 7,426
	Average return each year	-76.3%	-17.48%	-14.22%
<b>UNFAVORABLE SCENARIO</b>	<b>What you might get back after costs</b>	EUR 88,040	EUR 80,379	EUR 78,290
	Average return each year	-10.95%	-4.36%	1.92%
<b>MODERATE SCENARIO</b>	<b>What you might get back after costs</b>	EUR 103,376	EUR 105,316	EUR 116,990
	Average return each year	5.26%	5.41%	5.44%
<b>FAVORABLE SCENARIO</b>	<b>What you might get back after costs</b>	EUR 122,157	EUR 138,777	EUR 155,157
	Average return each year	24.09%	16.45%	13.96%

This table shows the money you could get back over the 5 years, under different scenarios, assuming that you invest EUR 100,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the Fund is not able to pay you.

The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## WHAT HAPPENS IF THETA FUND MANAGEMENT B.V. IS UNABLE TO PAY OUT?

The Fund's assets are held separately from Theta Fund Management B.V. and safeguarded by the legal owner. A pay-out of the Fund's assets is thus not affected by the financial position or potential default of Theta. Stichting Bewaarbedrijf Legends XL Fund has been appointed as legal owner of the Fund's assets. The assets of the Fund are held in custody by the depositary, Northern Trust Global Services S.E., which is independent of Theta.

## WHAT ARE THE COSTS?

### Costs over time

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

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

INVESTMENT OF EUR 100,000			
SCENARIOS	IF YOU SELL AFTER 1 YEAR	IF YOU SELL AFTER 3 YEARS	IF YOU SELL AFTER 5 YEARS
TOTAL COSTS	EUR 4,660	EUR 13,980	EUR 23,300
IMPACT ON RETURN PER YEAR	4,66%	4,66%	4,66%

### Composition of costs

The table below shows:

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

#### THIS TABLE SHOWS THE IMPACT ON RETURN PER YEAR

<b>One-off costs</b>	<b>Entry costs</b>	0.00%	Impact of entry costs taken before investment. This is the maximum, you could pay less.
	<b>Exit costs</b>	0.00%	Impact of exit costs taken when you exit the investment upon maturity.
<b>On-going costs</b>	<b>Portfolio transaction costs</b>	0.00%	The impact of costs of us buying and selling underlying investments for the product
	<b>Other ongoing costs</b>	4,66%	The impact of costs incurred each year for managing and administering your investments, including those of the underlying funds and third parties
<b>Incidental costs</b>	<b>Performance fee</b>	0.10%	The impact of performance fee based on past performance. This is charged whenever the Fund performs better than 5% per annum (non-cumulative). The Fund has a high watermark (the highest net asset value of the Fund at the end of the year).

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

**Recommended holding period:** 5 Years

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

Investors can subscribe and redeem at the net asset value. Subscriptions are monthly. Redemptions are every month, with 90 days' notice subject to a 10% investor level gate per share class. Theta is not obliged to redeem more than 10% of the outstanding participations of the Fund on any monthly dealing day.

## HOW CAN I COMPLAIN?

You can submit your complaint via [info@thetacapital.com](mailto:info@thetacapital.com) or by regular mail.

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

Website: [www.thetacapital.com](http://www.thetacapital.com)

E-mail: [info@thetacapital.com](mailto:info@thetacapital.com)

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

#### **OTHER RELEVANT INFORMATION**

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