



Decentralized Finance Capital

Key Information Document

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

Alert

You are about to purchase a product that is not simple and may be difficult to understand.

DeFi Capital A Fund (the "Fund")

The Fund is managed by DeFi Capital Management B.V. (the "Fund Manager"). www.deficapital.com. Call 0031625148469 for more information. The Fund Manager is registered as an exempted manager (uitgezonderde beheerder) with the Authority for Financial Markets (Autoriteit Financiële Markten) ("AFM") in the Netherlands. The Fund Manager does not require, nor voluntarily chooses to obtain a license from the AFM to perform its activities. The Fund, nor the Fund Manager are subject to supervision exercised by the AFM or the Dutch Central Bank (De Nederlandsche Bank).

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What is this Product?

Type: The Fund is an open-end fund for joint account (open fonds voor gemene rekening) organised pursuant to Dutch law that qualifies as an alternative investment fund (alternatieve beleggingsinstelling) pursuant to the AIFMD (Directive on Alternative Investment Fund Managers, 2011/61/EU). The Fund is under Dutch law not a legal entity nor a partnership, commercial partnership or limited partnership, but a contractual arrangement sui generis between the Fund Manager, the Stichting DeFi Capital A ("**Legal Owner**") that acts as the legal owner of the Fund's assets and liabilities, and each of the investors separately.

Objectives: The Fund has the objective to contribute to the adoption of the Blockchain technology, create a financial return for the investors and do so in a sustainable and responsible manner by investing in a diversified, well secured range of cryptocurrencies and other digital assets in accordance with the investment strategy established and carried out by the Fund Manager.

Attention! This investment falls outside AFM supervision. No license and no prospectus required for this activity.



The Fund has the aim to distribute the net proceeds of investments to the investors. The target of the Fund is to ultimately realize a net annualized return to the Investors of around 15%. The return on investment shall mainly depend on the broad implementation of blockchain technology. To mitigate this risk, the Fund's investments are diversified in the most fundamental projects in the current blockchain 'ecosystem'.

Intended retail investor: participation rights ["Units"] in the Fund are offered to professional and non-professional investors that are seeking a long term investment in digital assets for whom the minimum investment amount of each new investor of € 100,000 makes up a non-substantial part of their freely distributable capital.

Term: The Fund is set up for a period of 10 years which commenced on 01-09-2019, with the possibility of extension for two additional years if approved by the investors. The Fund can be terminated prior to the expiration of the term if (a) a resolution to terminate the Fund by the investors in is passed, or (b) the Legal Owner is declared bankrupt. The Fund Manager is not entitled to unilaterally terminate the Fund.

What are the risks and what could I get in return?

Except to the extent permitted by Dutch law or provided for in the terms and conditions of the Fund, an investor in the Fund shall not be liable for the debts and liabilities of the Fund vis à vis third parties and only be liable to the Fund up to an amount equal to the capital contributions made on its Units.



The risk indicator assumes you keep your Unit in the Fund for a minimum duration of 10 years. The actual risk can vary strongly in the event of an earlier exit and your return may be lower than your investment. It is not possible to easily sell and transfer the Units. The performance of the Fund and thus the proceeds distributed by the Fund to each investor depend on the amount of cash and cash equivalents received by the Fund from proceeds from the Fund's investments in digital assets. These proceeds are unpredictable and inter alia subject to (i) risks inherent to digital assets such as loss of assets due to technical failure of systems, defective digital assets, fraud/cyber-attacks or changes in legislation and (ii) risks inherent to the investment strategy such as sector risks, non-diversification risks, market, liquidity and timing risks, and the risk and returns of the investment in the Fund varies on the basis of the performance of the digital assets.

Performance Scenarios: The below performance scenarios show the money an investor might get back per Unit over the term of the Fund, under different scenarios, assuming that an investor subscribes for one Unit at a price of € 100,000. The performance scenarios illustrate how an investor's investment could perform. An investor can compare these 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 an investor gets will vary depending on how the market performs, when and at what Unit price an investor enters the Fund, and how long an investor keeps the investment in the Fund. The figures shown include all the costs of the Fund itself, but may not include all costs paid by an investor to its advisor or distributor (if applicable). The figures do not take into account an investor's personal tax situation, which may also affect the amount received. The tax law of the home country of the investor may impact the actual payout by the Fund.

Performance Scenarios

Single Investment		
Scenarios [per Unit of EUR 100,000]		10 yrs
Unfavorable scenario	What you might get back after costs	€50.000
	Average return	-50%
Moderate scenario	What you might get back after costs	€250.000
	Average return	150%
Favourable scenario	What you might get back after costs	€405.000
	Average return	405%

What happens if the Fund is unable to pay out?

An investor may face a financial loss due to the default of the Fund to pay distributions to the investors. Neither the Fund nor the Fund Manager has any guarantee scheme or other similar scheme in place to cover or compensate such loss.

What are the costs?

The invested amount is partially used to cover the costs of the Fund. These costs consist of the management fees to the Fund Manager, which include all set-up and operating costs of the Fundm, such as marketing costs and costs of external advisors. In addition the costs consists of a carried interest

entitlement of the Fund Manager. The below figure is an indicative composition of costs, which may differ from the actual costs you may incur as an investor, and thus 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 amounts shown here are the cumulative costs of the Fund itself (the minimum management fee, assuming no increase in value of the Fund). The figures assume you subscribe for one Unit at a price of EUR 100,000. The figures are estimates and may change in the future.

Fee	Amount	
Management Fee	2%	Annually
Carried Interest	20%	Amount after hurdle rate
Exit Fee	0%	
Performance fee	0%	

At the first closing Units will be issued against an issuance price of € 100 per Unit. Following the first closing Units will be issued against the Net Asset Value on the date of the respective closing.

How long should I hold it and can I take money out early?

It is recommended to hold the Units for at least 10 years in order to give the Digital Assets that are invested in the chance to become (more) profitable and to generate proceeds. Units can only be transferred following approval of all investors. No penalties are incurred when transferring Units.

How can I complain?

Should an investor have any complaints about the Fund or the conduct of the Fund Manager, please refer to the website www.deficapital.com under the page "Complaints" for the Fund's complaints procedure. An investor can fill out the relevant information and submit it via the [website](http://www.deficapital.com) or email it to info@deficapital.com

