

*English version of the Management Rules for translation purposes only*

**COSTA VICENTINA – FUNDO DE CAPITAL DE RISCO FECHADO**

(Registered with the CMVM under no. 2106)

**MANAGEMENT RULES**

**2 September 2024**

**TABLE OF CONTENTS**

SECTION I General information on the Fund, the Management Entity and other entities ..... 4

Article 1 (The Fund)..... 4

Article 2 (Management Entity)..... 4

Article 3 (Auditor)..... 7

Article 4 (The Registering Entity and the Depositary) ..... 8

SECTION II Investment Policy of the Assets of the Fund and Income Distribution Policy ..... 11

Article 5 (Investment Policy) ..... 11

Article 6 (Investment Thresholds) ..... 13

Article 7 (Timings for Calculation of the Value of the Units) ..... 13

Article 8 (Valuation Criteria)..... 14

Article 9 (Commissions and other expenses to be paid by the Fund)..... 15

Article 10 (Remuneration of the Management Entity and the Depositary and Preferred  
Remuneration) ..... 16

SECTION III Capital of the Funds and Units ..... 17

Article 11 (Capital of the Fund) ..... 17

Article 12 (Subscription and payment of the Units)..... 18

Article 13 (Capital Increase of the Fund)..... 20

Article 14 (Capital Reduction of the Fund)..... 21

Article 15 (Units and Form of Representation) ..... 21

Article 16 (Transfer of Units)..... 22

Article 17 (Capital Reimbursement Policy and Income Distribution Policy) ..... 23

SECTION IV Rights and Obligations of the Unit-Holders and General Meeting of Unit-Holders 24

Article 18 (The Unit-Holders and the Respective Rights and Obligations) ..... 24

Article 19 (General Meetings of Unit-Holders) ..... 25

Article 20 (Fund’s Investment Committee)..... 27

SECTION V Accounts of the Fund and information reporting ..... 28

Article 21 (Accounts of the Fund)..... 28

Article 22 (Reporting) ..... 28

Article 23 (Announcement and Amendments to the Management rules) ..... 29

SECTION VI Winding-up and Liquidation of the Fund .....	29
Article 24 (Terms and conditions of the Winding-up and Liquidation of the Fund) .....	29
SECTION VII Jurisdiction .....	30
Article 25 (Jurisdiction).....	30

## MANAGEMENT RULES

### SECTION I

#### General information on the Fund, the Management Entity and other entities

##### Article 1

##### (The Fund)

1. The Fund's denomination is "COSTA VICENTINA – FUNDO DE CAPITAL DE RISCO FECHADO" (hereinafter referred to as "**Fund**").
2. The Fund is a closed-end private subscription alternative investment fund, with registered offices in Portugal, is incorporated for a fixed term and exclusively aimed at (i) professional investors, pursuant to article 30 of the Portuguese Securities Code, enacted by Decree-Law no. 486/99, of 13 November "**Portuguese Securities Code**", or (ii) investors who request the Management Entity to be treated as professional investors pursuant to article 317-B of the Portuguese Securities Code, *ex vi* article 28(5)(k) of the Asset Management Regime, enacted by Decree-Law no. 27/2023, of 28 April (the "**RG**A").
3. The Fund will have a duration of 12 (twelve) years counting from its date of incorporation, and the general meeting of unit-holders may, upon proposal from the Management Entity and at least 6 (six) months prior to the term of the Fund, approve by majority of votes cast the extension of the duration of such period for one year, once, or more.
4. The assets of the Fund are autonomous and exclusively responsible for its debts, obligations and responsibilities. The assets of the Fund will not be, under any circumstances, held liable for the debts of the unit-holders, the Management Entity, the Depositary and commercialization entities or any other investment fund or vehicle managed by the Management Entity.

##### Article 2

##### (Management Entity)

1. The management of the Fund is entrusted to MAGNIFY CAPITAL PARTNERS – SOCIEDADE DE CAPITAL DE RISCO, S.A. ("**Management Entity**"), following a mandate granted by the investors, which is granted upon subscription of the units and which will remain while such participation is held and which also entails the acceptance of these Management Rules. The Management Entity is the legal representative of all unit-holders in matters relating to the management of the Fund.

2. The Management Entity is a venture capital company incorporated as a limited liability company by shares in Portugal, with registered office at Avenida Eng. Duarte Pacheco Amoreiras, Torre 2, Piso 14 — L, 1070-101 Lisbon, with the share capital of € 287,437.00, registered with the Commercial Registry Office of Gaia under the registration number 515 510 190, and registered with the Portuguese Securities Market Commission (“**CMVM**”) under number 160457, since December 27, 2019.
3. While performing its duties, the Management Entity acts on behalf and in the exclusive interest of the unit-holders, being responsible, in general, for carrying out all actions and operations required or convenient for the sound administration of the Fund, in accordance with criteria of due care, honesty, diligence and professional skill, notably:
  - a) Manage the Fund in accordance with applicable law and these Management Rules;
  - b) Promote the incorporation of the Fund, the subscription of the relevant units and the fulfillment of the subscription obligations;
  - c) Prepare the Fund’s management rules and any proposals to amend such rules, which should be submitted for approval by the general meeting of unit-holders;
  - d) Select the assets which shall form part of the estate of the Fund in accordance with the Fund’s investment policy set out in article 5 of these Management Rules and subject to the resolutions of the Investment Committee and to perform all actions required to the proper implementation of that strategy;
  - e) Acquire and dispose of the assets for the Fund, exercise its rights and ensure the timely fulfilment of its obligations;
  - f) Manage, dispose of or encumber the assets forming part of the portfolio of the Fund;
  - g) Issue and reimburse the units and ensure they are represented in accordance with the provisions of article 15 of these Management Rules;
  - h) Commercialize the Fund’s units;
  - i) Determine the value of the assets and liabilities of the Fund and the value of the relevant units in accordance with the provisions of article 7 and 8 of these Management Rules;
  - j) Organize and keep the documentation and accounting of the Fund in order;
  - k) Prepare the management report and accounts of the Fund and make these documents available to the unit-holders for review, together with the audit documents;

- l) Convene the general meeting of unit-holders and make proposals on any matter requiring its approval;
  - m) Provide the unit-holders, notably in the respective general meetings, with complete, true, current, clear, objective and lawful information on the matters to be assessed by the unit-holders or on which resolutions have to be taken by the unit-holders, in order to allow them to form a reasoned opinion on those matters;
  - n) Ask for an opinion of the Investment Committee and obtain the approval of the Investment Committee in respect of any investments or divestments of the Fund in accordance with article 20 of these Management Rules; and
  - o) Clarify and analyze issues and complaints from the unit-holders of the Fund.
4. The Management Entity is also responsible for:
- a) Provide the competent authorities all mandatory information or those that may be asked for;
  - b) Report to the unit-holders the unit value of the units and the composition of the portfolio of the Fund, in accordance with the provision of article 22 of these Management Rules.
5. Within the scope of the activity of the Fund, the Management Entity, whenever deemed necessary for the creation of investment opportunities and for the implementation of the investment policy of the Fund, and within the scope thereof, may establish agreements with external entities, subject to the prior approval of the Investment Committee, whether or not they are affiliate companies, aimed at advising the Fund and/or the Management Entity and to bear any costs that may be necessary before the Fund invests in those companies, in order to ensure control over that phase and thus ensuring that the entire process prior to investment by the Fund complies with all its procedural and economic standards.
6. While performing its duties and without prejudice to any specific features applicable to each category of units of the Fund, the Management Entity must abide by a principle of equal treatment for all of the unit-holders of the Fund, except in any circumstances which, by its own nature, that is not possible, as well as to refrain to the extent possible from engaging in business which may generate conflicts of interest with the common interest of the unit-holders of the Fund.
7. Under certain circumstances, the Management Entity may invite some unit-holders of the Fund to co-invest directly in a subsidiary of the Fund, provided that such procedure complies

- with the principle of equal treatment of unit-holders of the Fund, as set out in paragraph 6 above.
8. The Management Entity may render services to subsidiaries of the Fund, agreeing the relevant terms and conditions with such subsidiaries.
  9. The Management Entity may subcontract the provision of legal, financial, tax, accounting and technical services, namely for the purposes of carrying out due diligences and evaluations in connection with investments, divestments and/or assets of the Fund.
  10. The Management Entity subcontracted the following entities:
    - a) MPA PARTNERS – CONSULTORIA E ASSESORIA DE GESTÃO, LDA to provide accounting services; and
    - b) Quantyx Sarl to provide services in the area of risk management.
  11. The Management Entity may be removed and replaced by a resolution of the general meeting of the unit-holders taken by simple majority of the votes cast (for the avoidance of any doubts, only the holders of category A units shall have the right to vote on this matter pursuant to article 15 of these Management Rules). The replacement of the Management Entity shall require the immediate identification of the new management company of the Fund, which must be duly registered with the CMVM and capable of managing the Fund. The replaced Management Entity shall ensure an orderly transition of the management of the Fund, namely as regards communication to the CMVM, financial institutions and auditors as may be necessary to the execution of the resolution of the general meeting of unit-holders. During the transition period, the replaced Management Entity can only undertake ordinary management decisions (gestão corrente) by the Fund and shall abstain from carrying out any new investments by the Fund or any distributions to the unit-holders.

### **Article 3**

#### **(Auditor)**

1. The auditor responsible for auditing the accounts of the Fund is BAKER TILLY PG & ASSOCIADOS, SROC LDA., with registered office at Av. Columbano Bordalo Pinheiro, n.º 108 1.º B, 1070-067 Lisbon, Portugal, with registration and legal entity identification number 509 224 547, registered with the Portuguese Institute of Statutory Auditors under number 235 and with the CMVM under number 20161528 (“**Auditor**”).

2. The Auditor will be appointed by the Management Entity to carry out its duties for a term of 3 (three) years; following such term, the auditor may be reappointed once or more times by the general meeting of unit-holders, upon proposal from the Management Entity, or the general meeting of unit-holders may, upon proposal from the Management Entity, appoint a different auditor for auditing the accounts of the Fund.
3. The Management Entity may replace the Auditor with the express consent of the latter, in writing, or to dismiss the Auditor in the event that the Auditor breaches its legal duties and causes any direct or indirect damage to the management of the Fund.
4. Without prejudice for its legal duties, while carrying out its duties, the Auditor shall give an opinion about the compliance with the criteria and assumptions of the valuation of the assets of the Fund set out in article 8 of these Management Rules.

#### **Article 4**

##### **(The Registering Entity and the Depositary)**

1. Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A., with registered office at Avenida da Boavista, no. 3433, 4100-138 Porto, registered with the Commercial Registry Office of Porto under the registration and legal entity number 502 962 275 will act as Registering Entity of the units of the Fund, and is properly authorized by the CMVM to carry-out securities registration duties.
2. The depositary duties will be carried-out by Bison Bank, S.A., with registered office at Rua Barata Salgueiro, no. 33, floor 0, 1250-042 Lisbon, registered with the Commercial Registry Office of Lisbon under the registration and legal entity identification number 502 261 722, and is registered with the CMVM as a financial intermediary under number 170 (**“Depositary”**).
3. The duties and obligations of the Depositary include those provided for in articles 132 and following of the RGA, notably:
  - a) To receive on deposit or inscribe in book-entry form, in separate accounts, the Fund’s securities, depending on whether they are represented by certificates or by book-entries, as well as to keep the Fund’s assets;
  - b) Make all purchases and sales of assets of the Fund as instructed by the Management Entity;



- c) Carry out the collection of income generated by the assets of the Fund, as well as the operations resulting from the exercise of rights related to said assets;
- d) Accept and complete subscription requests, by means of registering the units in individual accounts against receipt of the amount or assets corresponding to the subscription prices;
- e) Pay to the unit-holders their share in the income of the Fund, as well as their share in the assets of the Fund in the event of a capital reduction and upon liquidation of the Fund as set out in the law and in these Management Rules;
- f) Send to the Management Entity, on a monthly basis, the detailed inventory of the assets in its custody;
- g) Comply with the law, regulations, the incorporation documents of the Fund and the agreements entered into within the scope of the Fund, with regard to the acquisition, sale, subscription, reimbursement and extinction of the Fund's units;
- h) Confirm the ownership of the assets of the Fund, or of the Management Entity acting on its behalf;
- i) Ensure a clear identification and segregation between the assets belonging to its portfolio and the assets of the Fund, adopting all procedures, including from an operational, organizational and/or accounting nature, which are necessary for this purpose;
- j) Carry out the instructions of the Management Entity, as the entity responsible for the management of the Fund, unless such instructions are contrary to applicable legislation and the incorporation documents;
- k) In transactions relating to the assets comprising the Fund, ensure that the consideration is delivered within market practice deadlines or in accordance with the specific terms of the transaction, if carried out outside a regulated market;
- l) Prepare and keep up-to-date a sequential list of all operations carried out on behalf of the Fund;
- m) Prepare a detailed inventory of the Fund's assets and liabilities on a monthly basis;
- n) Supervise and ensure to the unit-holders the compliance, by the Fund and by the Management Entity, with the applicable legislation and the incorporation documents of the Fund;

- o) Ensure adequate monitoring of the Fund's cash flows;
- p) Reconcile cash flow movements on a daily basis or, in the case of occasional cash movements, carry out the reconciliation whenever such movements occur;
- q) Identify significant cash flows at the end of the business day, including those that may not be compatible with the Fund's operations;
- r) Periodically review the adequacy of the established procedures and, once a year, carry out a full review of the reconciliation process;
- s) Ensure that the Fund's cash accounts, whether opened in its name or in the name of the Management Entity, are included in the reconciliation process;
- t) Monitor on an ongoing basis the results of reconciliations and actions taken as a result of any discrepancies identified by the reconciliation procedures and notify the Management Entity if the discrepancy has not been promptly corrected;
- u) Verify the consistency of its own cash flow records with the Management Entity's records;
- v) Periodically carry out checks and reconciliations between its accounts opened on behalf of the Fund or the Management Entity acting on its behalf and the Bank's records and the accounts and records of third parties to whom custody functions and/or records have been subcontracted of the Management Entity relating to the assets owned by the Fund, in accordance with applicable legal requirements;
- w) Identify and monitor all custody risks that may affect the assets along the respective chain, immediately informing the Management Entity of any significant risks identified and implementing the organizational measures necessary to minimize the risk of loss or reduction in the value of the assets at hand or the respective rights;
- x) In the exercise of its supervisory functions, carry out ex post controls and verifications of the processes and procedures that are under the responsibility of the Management Entity, the Fund or a third party appointed for the performance of any function related to the Fund; the supervision procedures implemented will take into account the risks associated with the nature, dimension and complexity of the Fund's and Management Entity's strategy in order to be adequate to supervise the Fund and its assets;
- y) To inform the Management Entity of the correspondence exchanged with the CMVM on or in relation to the Management Entity and/or the Fund and of which the Management Entity should be aware for the full performance of its functions.

4. The Depositary may be replaced by resolution of the general meeting of unit-holders that is expressly convened for such purpose, pursuant to the applicable law.

## **SECTION II**

### **Investment Policy of the Assets of the Fund**

#### **Article 5**

##### **(Investment Policy)**

1. The Fund is managed for the account and in the exclusive interest of the unit-holders in order to maximize the valorization of the investments.
2. In order to pursue the objectives set out in the previous paragraph, the Fund's investment policy will comply with criteria of opportunity, profitability, growth potential and appreciation, through investment in equity, quasi-equity and debt instruments in accordance with applicable law and these Management Rules.
3. The purpose of the Fund is to invest its assets in minority or majority holdings in small and medium-sized companies headquartered in Portugal (abiding, in any event, by the threshold set out in article 6(1)(b)), whatever their legal form, with potential for growth and valorization, which carry out their activity in the fields of tourism, hospitality, leisure, facilities management, education, industrial services, as well as any related and ancillary services and activities, and particularly to invest in companies with corporate purposes related to the following:
  - a) the operation and maintenance of hospitality units, in particular hotels, resorts, aparthotels or other accommodation units, as well as any related and ancillary services;
  - b) the development of agriculture and livestock projects, in particular viticulture projects, as well as any support activities and services;
  - c) the development of leisure and other tourism related activities, in particular, guided tours, sporting activities and other locally developed activities;
  - d) the operation and maintenance of service facilities, such as industrial-scale laundromats or any related support services;
  - e) the operation and management of maritime and air tourism ventures, emphasizing recreational vessels, yachts, helicopters and related services, alongside ancillary support activities for the maritime and aviation industries;

- f) the development of educational institutions, academies, and educational technology firms, along with ancillary services such as tutoring and extracurricular activities
  - g) organization of events, congresses and associated services;
  - h) import, export and marketing of goods and services related to the activities listed in the subparagraphs above.
4. In order to pursue this investment policy, the Fund may carry out the following operations:
- a) Initial subscription or subsequent subscription or acquisition of shareholdings in the share capital of companies with the features mentioned in paragraph 3, as well as securities or other rights which are convertible, exchangeable or which give the right to subscribe or acquire parts of such share capital;
  - b) Acquisition by means of assignment or subrogation of any credits over companies in which it holds a participating interest or intends to hold a participating interest;
  - c) Make shareholder loans or ancillary or supplementary capital contributions in companies in which it holds a participating interest;
  - d) Grant loans of any type or nature or to provide guarantees for the benefit of companies in which it holds a participating interest or intends to hold a participating interest;
  - e) Invest any cash surplus in financial instruments;
  - f) Carry-out exchange transactions required to the pursue of its activity.
5. The investment period will begin on the date of incorporation of the Fund and expires after a 7 (seven) year period has elapsed from the date of incorporation, which period may be extended for 1 (one) additional year if so approved by the general meeting of unit holders (**“Investment Period”**).
6. The period after termination of the Investment Period is primarily intended to obtain returns on the capital invested.
7. Investment in listed companies will be an exception.
8. The composition of the Fund will comply with the provisions of applicable law and regulations and these Management Rules, and may include, notably, investments in units, shares, quotas, supplementary capital contributions, shareholder loans and bonds, as well as the acquisition of credits in subsidiaries, the granting of credit or the provision of collateral to affiliated companies, the allocation of treasury surpluses to money market funds, bank deposits and any securities admitted to trading.

9. If a return on an investment is obtained within the Investment Period, then such return may, if so decided by the Management Entity, be reinvested, even beyond the Investment Period if such reinvestment is made into an existing portfolio company of the Fund.

## **Article 6**

### **(Investment Thresholds)**

1. Without prejudice for the terms of the law, the portfolio of the Fund is subject to the following thresholds:
  - a) Investment in securities admitted to trading on regulated markets cannot exceed 20% (twenty percent) of the overall net asset value of the Fund;
  - b) The value of the Fund's investments in companies that are not established under Portuguese law may not reach 40% of the total value of such investments.
  - c) The Fund shall not own directly any real estate assets.
2. As for the remaining assets that comprise the Fund's portfolio, there are no limits to investment.
3. The investments made by the Fund of an ancillary nature in treasury operations will not be taken into account for the purpose of calculating the thresholds established in paragraph 1 of this article.
4. The Fund may not borrow money or grant collateral, except as provided in the article 5 (4)(d).

## **Article 7**

### **(Timings for Calculation of the Value of the Units)**

1. The Management Entity shall determine the unit value of the units of each category of the Fund every six months, by reference to the last day of the months of June and December, by dividing the net asset value of each category of units of the Fund by the number of units in circulation of that category.
2. The net asset value of the Fund is determined by deducting the amount of actual or pending expenses to the sum of the assets comprising the Fund, under the terms set out under article 9 of CMVM Regulation no. 7/2023.

3. The unit values of the units as well as the composition of the portfolio of the Fund shall be reported by the Management Entity to the unit-holders in accordance with article 22 of these Management Rules.
4. The value of the units is disclosed in all places and means of commercialization.

## **Article 8**

### **(Valuation Criteria)**

1. The assets comprising the Fund are valued at least every six months, by reference to the last day of June and December, using fair value methods.
2. The appraisal of financial instruments not admitted to trading on a trading platform that are part of the assets of the Fund is carried out in accordance with article 31(1) to (3) of CMVM Regulation no. 7/2023, and the fair value method of holdings in companies not admitted to trading is obtained by using one of the following criteria:
  - a) Acquisition value, within 12 months of the acquisition date;
  - b) Materially relevant transactions carried out in the last twelve months at the time of the valuation by entities independent from the Fund and from the Management Entity;
  - c) Multiples of comparable companies, notably in terms of activity sector, size, leverage and profitability;
  - d) Discounted cash flows; and
  - e) In special circumstances and justified in writing, other internationally recognized criteria.
3. Credits and other debt instruments that are not admitted to trading on a trading platform, which have been acquired or granted within the scope of investments by the Fund, are valued using the discounted cash flow methods, considering the contractually defined terms, capital repayments and expected amortizations, and the effective interest rate calculated taking into account (i) the market interest rates and the credit risk of the borrower at the valuation date or (ii) the interest rate that would apply if the credit was granted on the valuation date.
4. In special and duly justified in writing circumstances, the valuation of the assets referred to in the previous paragraph of this article may be performed according to the acquisition cost criterion, taking into account the following elements:

- a) The amount by which credits and other debt instruments were valued at the first registration;
  - b) Capital repayments and accrued amortizations;
  - c) Irrecoverable amounts;
  - d) Situations that may have a material impact on valuation; and
  - e) Recovery expectation.
5. The reference date to be considered for the valuation of financial instruments not traded on a trading platform shall not be more than 15 (fifteen) calendar days prior to the date of calculation of the value of the units.
  6. The valuation of financial instruments admitted to trading on a trading platform which comprise the estate of the Fund is carried out in accordance with the provisions of article 30 of CMVM Regulation no. 7/2023.
  7. The criteria, assumptions and sources used in the individual valuation of each asset not admitted to trading on a trading platform are registered and justified in detail in a valuation sheet, under the terms of article 27(8) of CMVM Regulation no. 7/2023.

## **Article 9**

### **(Commissions and other expenses to be paid by the Fund)**

1. The Fund will be liable for the costs associated to its incorporation and management, including:
  - a) Remuneration of the Management Entity, the Depositary and the Auditor;
  - b) Costs incurred with the incorporation and set-up of the Fund and the subscription of the units, including costs incurred with financial intermediaries and other advisors;
  - c) Costs incurred with investments and divestments of the Fund's capital, including any associated expenses;
  - d) Costs related with investment of treasury surplus, including any transaction fees and intermediation costs;
  - e) Operational costs relating to the management of the Fund, including costs relating to the documentation to be made available to the unit-holders, costs with convening the general meetings of unit-holders, judicial costs and publicity costs directly linked with

- the assets of the Fund and mandatory announcement and fees, as well as those related with aborted deals;
- f) Expenses with legal, financial and tax advisers of the Fund;
  - g) Costs relating to any bank transfer and other banking operations;
  - h) Costs incurred with the liquidation of the Fund;
  - i) Costs relating to the Risk and ESG management of the Fund; and
  - j) Other costs which may be approved by the general meeting of unit-holders, provided these are directly related with the assets of the Fund.
2. The costs incurred with investments and divestments of the Fund (and regardless of such investments and divestments being completed or not), including, without limitation, the price of the assets and costs and expenses associated with the relevant transactions, as well as with the valuation of assets acquired or to be acquired by Fund, shall be borne by the Fund.

#### **Article 10**

##### **(Remuneration of the Management Entity and the Depositary and Preferred Remuneration)**

1. The remuneration of the Management Entity for its management activities is comprised of (i) a fixed fee calculated in accordance with the provision of paragraph 2 of this article (the “**Fixed Management Fee**”) and (ii) a one-off fee indexed to the subscription amounts in accordance with the provision of paragraph 4 of this article (the “**Subscription Fee**”).
2. The Fixed Management Fee is calculated as follows:
  - a) Until the date of Fund constitution, that is, until the payment of the first subscription, the Fixed Management Fee will correspond to the amount of € 2,300.00 (two thousand and three hundred euros) monthly;
  - b) From the date of Fund constitution, the Fixed Management Fee will correspond to an annual amount of 1.00% (one percent) over the subscribed capital of the Fund at the time, with a minimum annual amount of € 126,000.00 (one hundred and twenty-six thousand euros) and a maximum annual amount of € 200,000.00 (two hundred thousand euros).
3. The first Fixed Management Fee is subject to prepayment on the date on which CMVM issues the Fund registry number, and will be calculated on a pro rata basis, considering the



period between such date and the end of the respective month. The following Fixed Management Fees are calculated and paid monthly on the first day of the period to which they relate to. Starting on the date of the Fund Constitution, the Fixed Management Fee is recalculated daily, and adjustments are made at the end of the specified period.

4. The Subscription Fee: the unit-holders which are subject to payment of the Subscription Fee according to article 15(7) shall pay to the Management Company a one-off subscription fee calculated on the amount of capital subscribed by each unit-holder in the Fund. This one-off subscription fee shall be calculated as 4% (four percent) of the amount of capital subscribed by each unit-holder in the Fund and shall be payable within 30 (thirty) calendar days after the date of subscription.
5. In the event the Fund does not have the liquidity to pay the Fixed Management Fee at the time it becomes due and the Management Entity has not requested the payment of subscribed capital to the unit-holders for this purpose under the terms of this Management rules, said fee will be transferred to the Management Entity's credit, the payment occurring as soon as the Fund has the necessary liquidity.
6. The lack of liquidity of the Fund does not impact the Management Entity's right to receive the Fixed Management Fee which will remain fully valid and effective, and this amount must be paid as soon as the Fund has the necessary amounts for such purpose.
7. For the performance of its depositary duties, the Depositary will charge a depositary fee at the nominal rate of 0.1% (zero point one percent) per year, calculated monthly on the global net asset value of the Fund (GNAV) and charged semi-annually up to the last working day of the month following the relevant semester. The depositary fee will be calculated for the first time at the end of the month in which the Fund is incorporated and charged until the last day of the sixth month following such date.

### **SECTION III**

#### **Capital of the Funds and Units**

##### **Article 11**

##### **(Capital of the Fund)**

1. The capital of the Fund to be made available for initial subscription is the maximum amount of € 20,201,000.00 (twenty million and two hundred and one thousand euros).
2. The Fund will be represented by units divided as follows:

Category	Maximum Units	Subscription amount of each Unit
A	200 (two hundred)	€ 1,000.00 (one thousand euros)
B	20,000 (twenty thousand)	€ 1,000.00 (one thousand euros)
C	1,000 (one thousand)	€ 1.00 (one euro)

3. Category A units may only be subscribed by Costaterra – Sociedade Imobiliária de Grândola, Lda. (hereinafter referred to as “**Costaterra**”) and/or any other entities which are indicated by Costaterra, with a minimum subscription amount of € 100,000.00 (one hundred thousand euros), corresponding to 100 (one hundred) units of this Category A.
4. Category B units are destined to be subscribed in cash by (i) professional investors, pursuant to article 30 of the Portuguese Securities Code, or (ii) investors who request the Management Entity to be treated as professional investors pursuant to article 317-B of the Portuguese Securities Code, *ex vi* article 28(5)(k) of the RGA, with a minimum subscription amount of € 500,000.00 (five hundred thousand euros), corresponding to 500 (five hundred) units of this Category B.
5. Category C units in the Fund are destined to be subscribed by members of the board of directors of the Management Entity who request to be treated as professional investors pursuant to article 317-B of the Portuguese Securities Code, *ex vi* article 28(5)(k) of the RGA, and there is no applicable minimum subscription amount in respect of units of this Category C.

## Article 12

### (Subscription and payment of the Units)

1. The subscription period of the Fund will start on the Fund’s incorporation date (i.e., the date of payment of the first subscription) and will expire at the end of the 36th month after the date of the Fund’s incorporation or, in any case, as soon as the amount of € 20,201,000.00 (twenty million and two hundred and one thousand euros) is subscribed (“**Subscription Period**”).
2. In the event the units subscribed do not reach the minimum amount of € 2,500,000.00 (two million and five hundred thousand euros) within a 3 (three) year period from the date of the Fund’s incorporation, the Fund will not be launched, the Management Entity will distribute

the existing funds to the investors and holders of category A units will assume all the costs incurred by the Fund in order to assure that the holders of category B units are fully reimbursed.

3. Without prejudice for the law and these Management Rules, in the event the capital initially available for subscription is not fully subscribed by the end of the subscription period, the Fund will be reduced to the capital effectively subscribed and paid up, assuming that the capital actually subscribed will be at least €2,500,000.00 (two million and five hundred thousand euros).
4. The initial capital of the Fund will be definitively fixed in the amount of the subscriptions collected by the expiration date of the Subscription Period.
5. The payment obligations relating to the subscribed capital by reference to the relevant units are as follows:

Unit Category	Payment obligation of the subscribed capital
<b>A</b>	Obligation to pay-up the subscribed capital according to the capital calls to be made by the Management Entity, with 15% of the total subscribed capital to be paid-up until 30 days after the subscription of the units.
<b>B</b>	Obligation to pay up the entire subscribed capital until 30 days after the subscription of the units.
<b>C</b>	Obligation to pay-up the entire subscribed capital upon subscription.

6. The subscribed capital relating to category A units that may have not yet been paid-up must be paid-up by each unit-holder proportionally to its respective participation, depending on and according to the needs of the Fund, at any time during the Subscription Period, within a maximum period of 15 (fifteen) days from the date on which the unit-holders receive the capital call, by registered letter with acknowledgment of receipt or by email with read receipt, and the unit-holders shall pay-up the subscribed capital which may still be outstanding by the end of the Subscription Period.
7. Each capital call referred to in paragraph 6 must contain a brief description of the purposes for which the amounts called will be used, as well as a summary explanation about the relevant transaction, if applicable.

8. The amounts paid by the unit-holders that come to be, in certain cases, reimbursed to the unit-holder within 3 (three) months from the date of the payment of capital will not be regarded as paid-up capital.
9. Notwithstanding the deadlines set out in these Management Rules regarding the payment of subscribed capital, the investor who does not pay-up the units within the defined deadlines will only be deemed in arrears (mora) after being notified by the Fund's Management Entity.
10. The notice referred to in paragraph 9 must be immediately sent by the Management Entity to the relevant unit-holder, by registered letter with acknowledgement of receipt sent after the first day of expiry of the applicable term, and request the relevant unit-holder to make the required payment within an additional term of 15 (fifteen) calendar days. A failure by such unit-holder to comply with the obligation to contribute the required capital within the additional term granted by the Management Entity shall be considered a breach of these Management Rules for all purposes and shall result in the unit-holder in question entering into default (mora).
11. Unit-holders who are in arrears (mora) with regard to the obligation to pay up subscribed units will not be entitled to receive any income, amount or any other assets of the Fund, all such amounts being allocated to set-off the payment in arrears.
12. Additionally to the limitation set out in paragraph 11, unit-holders who are in arrears will not be entitled to participate nor vote in any general meeting of unit-holders, either by itself or through a representative, for as long as they are in arrears.
13. Failure to cure the arrears (mora) within 90 days after the beginning of arrears and as set out in this article will result in the loss to the Fund of the units in respect of which payment is in arrears as well as any sums paid on the account of the same.

### **Article 13**

#### **(Capital Increase of the Fund)**

1. The capital of the Fund may be increased by one or more times, by means of new contribution in cash or contributions in kind, upon proposal of the Management Entity and as approved by resolution of the general meeting of unit-holders, taken by a majority of the votes cast.

2. The unit-holders have a pre-emption right on the same proportion of their holding in the capital increases by new contributions in cash, notwithstanding the fact that said pre-emption right may be cancelled or restricted by resolution of the general meeting of unit-holders, upon the proposal of the Management Entity, taken by a majority of at least two-thirds of the votes cast.
3. For the purposes of the previous paragraph, the unit-holders affected by said cancellation or restriction are prevented from voting at the general meeting of unit-holders that may decide on the cancellation or restriction of the pre-emption rights.
4. The subscriptions of capital increases made by investors who already hold any units will have a minimum subscription amount of one unit per unit-holder. Subscriptions made by new investors are subject to the minimum amounts set-out in article 11.
5. If a capital increase is not fully subscribed, it is considered that the increase will be limited to subscriptions collected.
6. The subscription amount of the units will be that of the most recent semi-annual valuation, calculated in accordance with the provisions of article 7 of these Management Rules.

#### **Article 14**

##### **(Capital Reduction of the Fund)**

1. The capital of the Fund may be reduced to release excess capital of the Fund, to cover losses or to cancel units under the terms provided for by law, by these Management Rules, or by resolution of the general meeting of unit-holders, taken upon proposal of the Management Entity by majority of two-thirds of the votes cast.
2. Except in the case of total extinction of units provided for by law, the capital reduction may be carried out by regrouping of units or with total or partial extinction of all or some of them.

#### **Article 15**

##### **(Units and Form of Representation)**

1. The capital of the Fund is divided into 21,200 (twenty-one thousand and two hundred) parts called units.
2. The units are nominative and represented in book-entry form and are subject to the regime set-out in Chapter II, Section II, of the Portuguese Securities Code.

3. The units of the Fund are registered in the name of their respective holders in accounts integrated in a centralized securities system.
4. The centralized securities system in which the Fund's participation units are integrated is managed by Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A..
5. The units of the Fund are divided as set out in article 11 of these Management Rules.
6. Category A units grant their holders the right to participate and fully vote in the general meeting of unit-holders, the right to share the Fund's income as set out in article 17 and the right to indicate the members of the Investment Committee as set out in article 20.
7. Category B units do not entitle their holders to participate nor vote in the general meeting of unit-holders, only granting the right to share the Fund's income as set out in article 17. Unit-holders of category B units are subject to the obligation to pay the Subscription Fee as set out in article 10(4).
8. Category C units do not entitle their holders to participate nor vote in the general meeting of unit-holders, only granting the right to receive a performance fee in the form of carried interest as set out in article 17(4).

## **Article 16**

### **(Transfer of Units)**

1. The transfer of units is subject to the pre-emption right of the Management Entity and the holders of category A units.
2. The unit-holder wishing to transfer part or all of its units must notify the Management Entity and the holders of category A units of the planned transfer by registered letter with acknowledgment of receipt, identifying the transferee and detailing the terms and conditions of the transfer, including, without limitation, the exact price offered for the transfer of the units at hand.
3. Once the notice set out in the previous paragraph has been received, the Management Entity and the holders of category A units must inform the unit-holder that intends to transfer its units about its intention to exercise the pre-emption right within 30 (thirty) days from the date of signature of the notice of receipt of the notice. In the event that the pre-emption right is exercised by the Management Entity and by holders of category A units, the holders of category A units shall have priority over the Management Entity and have the

- right to acquire all the relevant units being transferred. Failure to exercise the pre-emption right within the aforementioned period entails the free transferability of the relevant units.
4. The transfer of units takes place by means of registration in the account of the relevant acquirer opened with the Depositary.
  5. The holder of the account where the units' debit registration is to be registered is entitled to request the registration of the transfer referred to in the previous paragraph.
  6. The transfer will be effective as of the date on which the registration is requested with the relevant banks.
  7. In case of transfer, the acquirer must submit, together with the order documentation, the statement of unconditional acceptance of these Management Rules.
  8. Holders of category A units may acquire the relevant category B units directly or appoint a third party to acquire those units, subject to investor acceptance procedures in place at the Fund.
  9. The Management Entity shall also coordinate with the Depositary and the relevant unit-holders the completion of the transfer of the category B units, notably ensuring the relevant registrations and transfers with the Depositary.

## **Article 17**

### **(Capital Reimbursement Policy and Income Distribution Policy)**

1. Whenever the Fund earns income suitable of being distributed, either resulting from remuneration or divestment of assets and which is not readily reinvested during the Investment Period, and once all expenses of the Fund are paid, the general meeting of unit-holders shall resolve the distribution of income of the Fund in accordance with the following paragraphs. However, the Fund may exceptionally retain part of the distributions that may be required to meet future expenses of the Fund in case it can be anticipated and there is a legitimate expectation that the total capital of the Fund that remains to be paid will be insufficient to meet such expenses.
2. Without prejudice to the previous paragraph and other specific provision in these Management Rules regarding income distribution for each category of units, the net profits eventually generated by the Fund will be distributed to the unit-holders on a *pari passu* basis, after and according to each divestment, taking into consideration the following paragraphs, namely payment waterfall and order of priority.

3. If an income distribution occurs, and the net profitability of the Fund is lower than or equal to 3% in the reference year, the distribution will be made to the holders of categories A and B units pro rata to the units respectively held by each of them.
4. If an income distribution occurs, and the net profitability of the Fund is higher than 3% per year (“hurdle rate”) in the reference year, the distribution will be made: (i) firstly, to the holders of categories A and B units pro rata to the units respectively held by each of them, up to a maximum amount corresponding to 3% per year of the capital initially invested by each such unit-holder; and (ii) the remaining amount, if any, will be distributed 75% (seventy five percent) to the holders of category A units and 25% (twenty five percent) to the holders of category C units (“carried interest”).
5. For the avoidance of doubts, the only income to which unit-holders holding category B units will be entitled is the income expressly set-out in paragraph 3 or 4 above.
6. The return of capital to the unit-holders occurs through a decision taken by the General Meeting of Unit-holders.
7. In the event of an early winding-up and liquidation of the Fund or of a winding-up and liquidation at the end of the Fund's term, the holders of category B units will only be entitled to receive an amount up to a maximum of 70% of the subscription amount.

#### **SECTION IV**

##### **Rights and Obligations of the Unit-Holders and General Meeting of Unit-Holders**

##### **Article 18**

##### **(The Unit-Holders and the Respective Rights and Obligations)**

1. Without prejudice to other ways of acquiring the status of unit-holder, notably as a result of the transfer of units, the status of unit-holder is acquired upon the first payment, total or partial, of the subscribed capital.
2. For subscription purposes, the value of the units upon incorporation of the Fund are those contained in article 11 of these Management Rules, which are subsequently updated every six months by the Management Entity in accordance with the provisions of article 7 of these Management Rules.
3. Subscription becomes effective as soon as the amount corresponding to the issue price of the units is allocated to the assets of the Fund.



4. Without prejudice to the provisions of the law and other provisions of these Management Rules, the unit-holders are granted the following rights:
  - a) Obtain the Management Rules from the Management Entity and from the Depositary;
  - b) Obtain the management report, balance sheet and income statement of the Fund, as well as the Auditor's report, within 15 (fifteen) days prior to the date of the annual general meeting of unit-holders;
  - c) Obtain information regarding the unit values of the units and the composition of the portfolio of the Fund, pursuant to the provisions of article 22 of these Management Rules;
  - d) Ownership of the respective share of the assets comprising the Fund, under the terms set out in these Management Rules;
  - e) To subscribe the units under the terms of this Management Rules;
  - f) To receive its share in the income of the Fund under the terms defined in these Management Rules and in case of winding-up of the Fund;
  - g) To participate in the general meeting of unit-holders of the Fund and exercise the respective rights granted by the units held in accordance with these Management Rules (notably the limitations set out in articles 15(7) and 15(8) of these Management Rules);
  - h) Without prejudice to its possible cancellation or restriction by means of a resolution of the general meeting of unit-holders, to the pre-emption right in capital increases of the Fund by new contributions in cash in proportion to the respective holding, pursuant to article 13 of these Management Rules.
5. The pre-emption right referred to in the first part of paragraph h) of the previous paragraph will be exercised under the terms of paragraph 3 of article 213 of RGA.
6. Without prejudice to other obligations set out in law, the unit-holders grant a mandate to the Management Entity upon subscription of the units for the latter to carry out the administration of the Fund, thereby unconditionally accepting the conditions set out in these Management Rules.

#### **Article 19**

##### **(General Meetings of Unit-Holders)**

1. The general meeting of unit-holders is comprised by all unit-holders of the Fund holding units which grant the right to participate and vote, according to the rights granted by the

categories of units respectively held and subject to the limitations set out in articles 15(7) and 15(8) of the Management Rules, in the general meeting of unit-holders, and must meet in the first four months of each calendar year, when convened by the Management Entity, for the purpose of (i) the Management Entity presenting the situation of the Fund and of the investments made during the previous financial year, as well as to make any clarifications on the content of the activities report and the accounting documents of the Fund, and (ii) to take a decision on the activity report and annual accounts of the Fund for the previous financial year.

2. Without prejudice to the provisions of the previous paragraph, the general meeting of unit-holders of the Fund will meet whenever convened by the Management Entity, by its own motion or whenever required by an unit-holder of category A, by sending an email with a delivery receipt at least 21 (twenty one) calendar days in advance, provided that the unit-holder has given its prior consent to be notified by email with a delivery receipt.
3. The voting rights of the unit-holders are proportional to the amount of units held, with one vote corresponding to each unit.
4. The board of the general meeting of unit-holders is comprised of a chairperson and a secretary appointed by the Management Entity of the Fund, who cannot be members of the management body or staff of the Management Entity or of companies that, directly or indirectly, control or are controlled by the latter.
5. The general meeting of unit-holders will take decision regardless of the number of unit-holders present or represented and the capital they represent, by a majority of the votes cast, except where the law or these Management Rules determine otherwise, and will be binding upon absent unit-holders as well as upon unit-holders who abstained or voted against and unit-holders who do not have voting rights or are not entitled to exercise voting rights in respect of the relevant matter.
6. Each general meeting of unit-holders of the Fund is responsible for, notably:
  - a) To monitor the overall management of the Fund and to assess, upon proposal from the Management Entity, its annual accounts, including the annual plan and budget;
  - b) To resolve, upon proposal from the Management Entity, on possible capital increases and capital reductions of the Fund;
  - c) To resolve on the application of the net profits of the Fund, upon proposal by the Management Entity, taking into account the provisions of article 17 of these Management Rules.

- d) Determine, upon proposal from the Management Entity, the date and conditions under which the units can be reimbursed;
  - e) To resolve, upon proposal from the Management Entity, on the duration, winding-up, and liquidation of the Fund;
  - f) Resolve on any amendments to these Management Rules which do not result from a mandatory legal provision that may be proposed by the Management Entity.
7. Without prejudice for a higher majority required by law for the amendment to the Management Rules other than the one provided for in article 212(3) of RGA, the resolutions set out in paragraphs b) and e) can only be approved by votes representing two-thirds of the votes cast.

## **Article 20**

### **(Fund's Investment Committee)**

1. The Management Entity shall appoint an Investment Committee of the Fund composed of 4 (four) members, which must include (i) 2 (two) directors of the Management Entity with delegated powers to manage the Fund (provided that, together, these directors have the legal power to bind the Management Entity), and (ii) 2 (two) members indicated by the holders of category A units.
2. The Investment Committee is vested with decision-making powers in relation to matters relating to the Fund's investments, management and divestments.
3. The Investment Committee shall meet as often as necessary in accordance with the Fund's interests as determined by the Management Entity, or when so required by the general meeting of unit-holders.
4. The Investment Committee only has a quorum to meet if all its members are present, and all decisions and resolutions shall be taken exclusively by unanimous vote.
5. The Investment Committee shall assess and discuss any potential investment, follow-on investment and divestment opportunities in accordance with the investment policy of the Fund. Any investment, follow-on investment and divestment by the Fund shall be subject to prior approval by means of resolution approved by unanimous vote of the members of the Investment Committee.
6. Without prejudice to the provisions of this article, the Investment Committee may determine, in its own regulations, its own operating rules provided that they do not

contravene or conflict with any rule set out in these Management Rules and are approved by unanimous vote of the members of the Investment Committee.

## **SECTION V**

### **Accounts of the Fund and information reporting**

#### **Article 21**

##### **(Accounts of the Fund)**

1. The accounts of the Fund are prepared annually with reference to December 31<sup>st</sup> and must be submitted to its unit-holders for review and approval in the annual general meetings of unitholders convened by the Management Entity to meet in the first four months of each year.
2. The financial statements of the Fund, as well as the Auditor's report, the Fund's annual plan and budget, must be made available to the unit-holders at least 15 (fifteen) calendar days in advance of the date of each general meeting of unit-holders.

#### **Article 22**

##### **(Reporting)**

1. The Management Entity shall communicate to all the unit-holders the unit values of the units and the composition of the portfolio of the Fund under the following terms:
  - a) The information reported as of the last day of June, by email sent until August 15<sup>th</sup>;
  - b) The information reported as of the last day of December, by e-mail sent until April 30<sup>th</sup>, and shall also be communicated at an annual general meeting of unit-holders convened for the purpose of presenting and assessing the annual accounts of Fund.
2. The Management Entity shall also communicate to the unit-holders the following events, as soon as the same come to its knowledge:
  - a) The Management Entity has been declared insolvent, the respective management has requested its insolvency or is in a situation of general breach of the respective obligations;
  - b) There is a pending process in relation to the Management Entity, even out-of-court proceedings, relating the agreement or conciliation of creditors for the settlement of existing debts;

- c) There is a pending insolvency request for the Management Entity or a request for the beginning of extrajudicial proceedings for settlement or conciliation of creditors.

### **Article 23**

#### **(Announcement and Amendments to the Management rules)**

1. The Management Entity is the sole responsible for submitting proposals to amend these Management Rules.
2. Amendments to the Management Rules arising directly from a mandatory legal provision will be disclosed to the unit-holders by registered letter, or by email with a delivery receipt, after communication to the CMVM.
3. Without prejudice to the provisions of these Management Rules, any amendments to the Management Rules that do not arise directly from a mandatory legal provision are subject to approval of the general meeting of unit-holders taken, at the proposal of the Management Entity, by a majority of two thirds of the votes cast (for the avoidance of any doubts, only the holders of category A units shall have the right to vote on this matter pursuant to article 15 of these Management Rules).

## **SECTION VI**

### **Winding-up and Liquidation of the Fund**

#### **Article 24**

##### **(Terms and conditions of the Winding-up and Liquidation of the Fund)**

1. The winding-up and subsequent liquidation of the Fund will be carried-out according to the provisions of RGA, and article 19(6)(e) of these Management Rules.
2. Once the winding-up of the Fund has been approved by the general meeting of unit-holders, by a two-thirds majority of the votes cast (for the avoidance of any doubts, only the holders of category A units shall have the right to vote on this matter pursuant to article 15 of these Management Rules), the Management Entity will assume the liquidation duties of the Fund and, in collaboration with the Depositary, will initiate the relevant liquidation procedure, determining the existing assets and calculating the earnings or losses, which will be distributed to the unit-holders after payment of the remunerations that may be due to the Management Entity pursuant to article 10.

3. The assets of the Fund will be distributed to the unit-holders in the same proportion of the units held and according to the economic right associated to each such unit in each relevant category under the waterfall and order of priority set out in article 17 of these Management Rules.
4. The assets will be distributed to the unit-holders within a maximum period of 1 (one) year from the start of the liquidation of the Fund.
5. The settlement accounts of the Fund shall be sent to the CMVM within 5 (five) business days after the liquidation is closed, which shall occur when the liquidation proceeds have been paid to the unit-holders under the terms of the previous paragraph.
6. The Fund shall be considered wound-up on the date of receipt by the CMVM of the settlement accounts.

## **SECTION VII**

### **Jurisdiction**

#### **Article 25**

#### **(Jurisdiction)**

The District Courts of Lisbon will be competent for all matters arising from the application of these Management Rules, whenever recourse to arbitration is not possible, with express waiver of any other.