HODL

Key Information Document

Purpose

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

Product

Product name	Hodl.nl Genesis Fund
Type of fund	Fonds voor Gemene Rekening (FGR)
Administrator / Product developer	Hodl.nl Management B.V.
Relevant Authority	Autoriteit Financiële Markten (AFM)
Last update	10 August 2020
Contact details developer	info@hodl.nl
Phone number	+31-85-0607077

Please pay attention! You are about to purchase a product which is not simple and may be difficult to understand.

What kind of product is it?

Product type: Participations in a closed mutual fund. Under Dutch law: 'Participatie in Besloten Fonds voor Gemene Rekening (BFGR)'.

Objectives: The objective of the fund is to achieve profits by investing directly into cryptocurrencies (long only) and to gain extra cryptocurrencies by servicing the underlying blockchains through mining, staking, delegating, and other forms of blockchain support. Returns depend on the performance of the cryptocurrencies held by the fund. The fund does not use any leverage. Investors are able to invest and withdraw on a monthly basis. Transaction costs shall be borne by the fund.

Targeted retail investor: The Fund focuses on investors with (i) a minimum investment of €100.000 or more, (ii) the aim to invest in cryptocurrencies, (iii) acceptance of high risk and possible significant losses, (iv) a 3-year investment horizon, (v) familiarity with investing through funds.

Duration of The Fund: The Fund was founded on 25 May 2020 and has no maturity date. Hodl.nl Management B.V. may unilaterally terminate the fund .

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

1	2	3	4	5	6	7

← Low risk → High risk
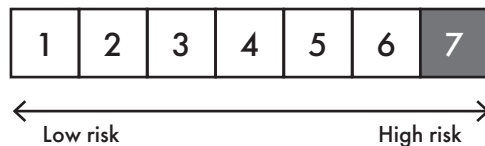
The risk indicator assumes you keep the product for 3 years (recommended period). If you sell early, actual returns can vary. You may not be able to sell early.

The summery risk indicator (SRI) is a directive for the risk level of this product compared to other products. The indicator shows the odds of potential losses due to market circumstances and the risk investors bare to lose all or part of the investment. The fund is classified in class 7 out of 7 which states the highest risk class. This means that the chance that you receive less than your initial investment(s) in a weak market is 'very high'. The maximum loss is equal to the initial investment(s). No supplementary investments are required, you cannot lose more than your initial investment(s).

Other material risks which are not included in the risk indicator are: (i) liquidity risk, (ii) counterparty risks of exchanges, (iii) risk of regulatory changes, (iv) cybercrime, internet security breaches or other forms of loss or theft of digital assets, (v) concentration risk. A detailed summery of the risks are stated in the Information Memorandum, chapter "Risks".

Investment scenario EUR 10.000		1 year	3 years recommended horizon
Stress scenario	Return of investment after costs	€ 4.750	€ 1.664
	Avarage annual yield	-53%	-45%
Unfavorable scenario	Return of investment after costs	€ 11.900	€ 53.594
	Avarage annual yield	19%	75%
Moderate scenario	Return of investment after costs	€ 27.000	€ 229.063
	Avarage annual yield	170%	184%
Favorable scenario	Return of investment after costs	€ 65.000	€ 998.973
	Avarage annual yield	550%	364%

Hodl.nl has insufficient fund data to calculate the historical scenarios. The stated scenarios have been calculated according the EU directive related to this document using data from CRIX-Crypto Index (http://data.thecrix.de/#services). The CRIX-Crypto Index is a benchmark for the crypto market, real-time computed at Humboldt University Berlin, Germany. In actual fact, more extreme scenarios have become reality than the example scenarios listed above. It is important to take this into account when considering investment.

What happens if Hodl.nl Genesis Fund is unable to pay out?

In the event that Hodl.nl Genesis Fund is unable to pay out, there is no guarantee or compensation scheme for investors. All risks are ultimately taken by the investors.

What are the costs?

Costs over time: The amounts stated include all the costs of the product itself but may not include all the costs you pay to your advisor or distributor. The amounts do not take into account your personal tax situation, which may also affect how much you receive in return. The amounts are based on the assumption you invest € 10,000. (Note: in the Hodl.nl Genesis Fund you can only invest with a minimum of € 100,000, so this is a comparative calculation example). The impact of the total costs is based on an annual return of 25 percent.

Investment scenario EUR 10.000	Redemption after 1 year	Redemption after 1,5 years	Redemption after 3 years
Total costs	€ 1.075	€ 3.152	€ 14.103
Effect on annual yield (RIY)	8,27%	9,80%	7,43%

Cost composition:
The table below shows the following:
- annual impact of the different types of costs on your potential investment return at the end of the recommended holding period;
- definition of the different cost categories

This table shows the effect on the annual return (unless stated otherwise)			
One-off costs	Entry costs	none	The cost impact at your initial investment.
	Withdrawel costs	maximum 1,00%	The cost impact at withdrawel of your investment (This is the maximum percentage, possibly you pay less)
Running costs	Portfolio transaction costs	1,0%	The cost impact of buying and selling underlying assets
	Management fee	0,50% quarterly	The quarterly impact of costs for managing the fund.
Incidental costs	Performance fee	20%	The impact of the performancce fee. We deduct this fee from your investment if a positive return is achieved, taking into account the High Water Mark.
	Carried interests	none	The impact of the carried interests

One-off costs do not benefit Hodl but benefit the participants in the fund. Transaction costs are part of the assets to be purchased or sold.

The performance fee will only be charged when previous losses in the fund have been recouped and when the increase in the net asset value (NAV) exceeds a certain threshold (High Water Mark). For a detailed calculation of the performance fee, please refer to the information memorandum, chapter "Performance fee". More information about costs can be found in the Information Memorandum, chapter "Costs and Reimbursements".

The product developer may deviate from the above costs. An increase in costs will not be made earlier than 2 months after announcement to the investors. During this period, investors can choose to withdraw part or all of the fund in accordance with the applicable procedure.

How long should I hold and can I withdraw money earlier?

The fund advises a holding period of at least 3 years in accordance with the long-term strategy of the fund. You can invest and withdraw monthly on the last calendar day of the month. Units can only be traded against the fund itself, not to third parties. The initial investment is at least € 100,000. Partial subsequent subscription or redemption must take place with a minimum of € 10,000 at a time and in the event of an incomplete sale of units, the remaining participation must not fall below € 100,000.

How can I complain?

You can address a complaint about the Hodl.nl Genesis Fund in writing to the Manager, Wilhelminakade 97, 3072 AP in Rotterdam or via info@hodl.nl. The Manager will confi rm receipt of this complaint within two weeks. Upon confirmation of receipt, the Manager will inform you when to expect a detailed response.

Other useful information

Stichting Bewaarder Fintech & Blockchain is the legal owner of the fund. We refer to the Information Memorandum and the Terms and Conditions of Hodl.nl Genesis Fund for extensive information about the product and all related risks. This information is available at www.hodl.nl or via the Manager. The investor should make his decision to participate based on these documents and, if desired, seek professional advice from an independent adviser.