

# Web3 Multi Strategy Fund SP

(a segregated portfolio of DCAP Funds SPC)

## Term Sheet\*

Fund	
Type of company	DCAP Funds SPC (the "Fund") is incorporated as an exempted company with limited liability and registered as a Segregated portfolio company under the Companies Act (As Revised) of the Cayman Islands. The Web3 Multi Strategy Fund SP (the "Segregated Portfolio") is a Segregated portfolio of the Fund.
Fund	The Fund is registered as a mutual fund pursuant section 4(3) of the Mutual Fund Act (As Revised) of the Cayman Islands and therefore regulated as a mutual fund by the Cayman Islands Monetary Authority.
Directors of the Fund	Anna Patrice Goubault Charles Michael Thomas
Registered office of the Fund	c/o Hermes Corporate Services Ltd. Fifth Floor, Zephyr House, 122 Mary Street, George Town P.O. Box 31493, Grand Cayman KY1-1206 Cayman Islands
Investment manager of the Fund	DCAP Ltd with portfolio manager license pursuant to art. 17 para. 1 FinIA.
Auditor	BDO Cayman Ltd.
Financial year-end, end of first accounting period	31 December, 31 December 2025
Base/operational currency	U.S. Dollar (US\$)
Share capital of the Fund	The Fund has an authorised share capital of US\$50,000 divided into 100 voting, non-participating, non-redeemable shares having par value of US\$1.00 each (the "Management Shares") and 49,900 non-voting, participating shares having a par value of US\$1.00 each issued through the account of one or more segregated portfolios.
Segregated Portfolio	
Full name of the Segregated Portfolio	Web3 Multi Strategy Fund SP
Administrator of the Segregated Portfolio	Trident Fund Services (Malta) Ltd.

\* Note: any ambiguity or inconsistency arises among this Term Sheet, and the Private Placement Memorandum of DCAP Funds SPC and the Supplement of W3 Multi Strategy Fund SP (collectively, the "Memorandum"), the provisions of the Memorandum shall prevail.

Custodian/prime broker of the Segregated Portfolio	Bank Julius Baer & Co. Ltd.								
Digital asset custodian/prime broker of the Segregated Portfolio	Coinbase Prime platform offered by Coinbase, Inc.								
Bank of the Fund	Bank Julius Baer & Co. Ltd.								
<b>Investment Objectives and Strategies of the Segregated Portfolio</b>									
Investment objectives	<p>(i) to give investors broad access to a wide range of investment opportunities in connection with the evolving investment themes of Web3 (as defined in the Supplement of the Segregated Portfolio). The decentralized and open ecosystem of Web3 builds on blockchain technology which will have a fundamental impact on various industries and sectors. Furthermore, it will bring forth many new business models. The Segregated Portfolio intends to take advantage of these structural changes.</p> <p>(ii) to achieve long-term capital appreciation by investing and managing a portfolio of companies, digital assets, and third-party funds, that have significant exposure to the Web3 theme. The Segregated Portfolio will target companies seeking to build critical infrastructure and take advantage of the technological breakthroughs associated to Web3; digital assets that are fundamental to the development of the Web3 ecosystem; and third-party funds with a Web3 orientated investment thesis. The return and risk profile depend on the performance and volatility of the underlying assets.</p>								
Investment strategies	<p>The Segregated Portfolio intends to invest in public and private companies. Additionally, the Segregated Portfolio will invest into Digital Assets.</p> <p>The Segregated Portfolio may also invest in third party managers via collective investment schemes ("Third-Party Products").</p> <p>The investment thesis of the Segregated Portfolio is predicated on the emergence and development of the Web3 ecosystem. The Fund in respect of the Segregated Portfolio aims to identify investment opportunities that are relevant for this ecosystem and that are expected to benefit from its growth over the coming years. Consequently, the strategy of the Segregated Portfolio focuses on the assessment of the opportunities and risks of assets within the Web3 ecosystem and to identify those that are expected to profit most from this development.</p> <p>The Fund in respect of the Segregated Portfolio utilizes a multi-strategy investment approach across different asset classes to capture growth opportunities along the entire value chain. The proxy target allocation of the Segregated Portfolio is as follow:</p> <table> <thead> <tr> <th>Target Allocation</th> <th>Allocation</th> </tr> </thead> <tbody> <tr> <td>Listed Equities</td> <td>33.34%</td> </tr> <tr> <td>Digital Assets</td> <td>33.33%</td> </tr> <tr> <td>Strategies/Third-Party Products</td> <td>33.33%</td> </tr> </tbody> </table>	Target Allocation	Allocation	Listed Equities	33.34%	Digital Assets	33.33%	Strategies/Third-Party Products	33.33%
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Listed Equities	33.34%								
Digital Assets	33.33%								
Strategies/Third-Party Products	33.33%								
Investors	An investment in the Segregated Portfolio is suitable only to sophisticated investors such as professional and institutional investors (FIDLEG client classification) who have the risk ability to bear the illiquidity profile of the Segregated Portfolio and a possible severe or even full investment loss.								

Holding period	The recommended holding period is 5 years.
Target net assets under management in USD at launch and in first year of operation	US\$ 20-50mn (expected)
Countries of distribution	Switzerland, selective EU & Asia (Reverse Solicitation through National Private Placement Regimes).
Selling restriction	United States
<b>Subscription provision of the Segregated Portfolio</b>	
Share classes of the Segregated portfolio	2 - Class A Shares, Class B Shares
Initial subscription price of the Segregated portfolio	US\$1,000
Duration of initial offer period	Until 31 January 2024
Frequency of subscriptions after Initial Offer Period	Monthly (last business day of the month according to Switzerland and Malta banking calendar).
Initial and subsequent minimum subscription amount	US\$100,000
Incremental amount per subscription	US\$1,000
Subscription fee	Up to 5% of the aggregate subscription proceeds payable to the Segregated Portfolio.
Maximum AuM	US\$100m under the current DCAP FINMA authorization as per Art. 17 FinIA (De-minimis).
Notice period for subscriptions	3 business days before the last Business Day of the Initial Offer Period or the applicable Subscription Date.
Subscription in-kind	No
Subscription price following initial offer period	Based on NAV per share.
<b>Redemption provision of the Segregated Portfolio</b>	
Frequency of redemptions	Monthly
Lock-up period	None
Notice period for redemptions	30 calendar days prior to the relevant Redemption Date.

Minimum redemption amount	<p>None.</p> <p>In the event of a partial redemption, a Shareholder shall maintain a minimum investment balance, after giving effect to the redemption, of not less than US\$100,000. The Directors, in their sole discretion, may waive this minimum investment balance.</p>
Redemptions in-kind	Distributions in-kind and redemptions in-kind wholly or in part of securities to any shareholder in the Segregated Portfolio are not permitted unless a separate arrangement is agreed between the Fund for and on behalf of the Segregated Portfolio and the relevant shareholder. No shareholder shall have the right to require distributions in property other than cash. Distributions in-kind and redemptions in-kind in the form of digital assets are not permitted under any circumstances.
Settlement provisions	Generally, within 10 calendar days of the effective redemption date.
Redemption gate	In the best interest of investors, and at the Board's discretion, redemptions may be limited in such a way, that no more than 20% of the Net Asset Value of the Segregated Portfolio may be redeemed at any given redemption point.
Redemption fee	Up to 5% of the aggregate redemption proceeds prior to the expiration of the Lock-up Period. Otherwise, 0%.
Compulsory redemption	At the Board's discretion.
<b>Valuation provision of the Segregated Portfolio</b>	
Frequency of valuations	Monthly (valuation methodology detailed in the Fund Valuation Policy).
Methods of valuing underlying securities	Market price, at cost (detailed in the Fund Valuation Policy).
<b>Specific investment practices of the Segregated Portfolio</b>	
Restrictions	None
Borrowing	The Segregated Portfolio may engage in borrowings.
Use of derivatives	The Segregated Portfolio may make use of derivatives.
<b>Fee structures of the Segregated Portfolio payable to the Investment Manager</b>	
Management fee	<p>The Segregated Portfolio will pay to the Investment Manager (monthly in arrears), in respect of the Segregated portfolio, a monthly management fee equal to one-twelfth (1/12) of</p> <ul style="list-style-type: none"> <li>• 2% (2% per annum) for Class B Shares, and</li> <li>• 1% (1% per annum) for Class A Shares,</li> </ul> <p>of the Net Asset Value of the respective Class of the Segregated Portfolio (before deduction of any accrued performance fee for such period) as of the valuation Date.</p>
Performance fee	20% calculated quarterly in arrears, crystallization quarterly and at redemption date of the investor. The performance fee is calculated applying a High Water Mark.

Risk Factors of the Fund and the Segregated Portfolio <sup>†</sup>	
General risk summary	<p>There is a high loss potential from the future performance of the underlying assets. Poor market conditions are extremely likely to impact the capacity of the Fund to pay investors at full. An investment therefore constitutes a speculative, high-risk investment which is not suitable for investors who can not withstand such losses. The recommended holding period of the Segregated Portfolio is 5 years.</p>
Digital asset risk	<p>The direct and indirect investments in digital assets involve special risks that may be different from risks associated with other investments in traditional or non-traditional assets.</p> <ul style="list-style-type: none"> <li>• Unauthorized access or manipulation may cause a loss of the entire investment in digital assets.</li> <li>• Digital assets have significant price volatility and may have no inherent value as valuations depend on investor expectations solely. A change in confidence therefore may result in high volatility of the underlying digital assets.</li> <li>• Risks relating to the specific technologies, like distributed ledger cryptography, or consensus mechanisms may lead to losses or higher volatility.</li> <li>• Risks stemming from the lack of legal and regulatory supervision or from changing regulatory environments may lead to seizure of assets, insolvency and therefore risk of loss and increased volatility.</li> <li>• Risks associated with storage and custody of digital assets include the risk of losing access to digital assets, risk of data theft, risk of unauthorized access and risk of hacking.</li> <li>• Risks associated with staking include the risk of slashing. Certain digital assets can be utilized for staking in blockchain networks employing the proof-of-stake consensus algorithm. Staking involves validators putting up crypto assets as collateral to maintain the network. This process comes with the risk of slashing, a mechanism designed to deter validator misbehaviour.</li> </ul>
Market risk (volatility)	<p>The Segregated Portfolio does not include any protection from future market performance so you could lose some or all your investment.</p> <p>During market stress or disruptions, volatility and correlation between all invested assets are expected to increase significantly.</p>
Liquidity risks	<p>The Segregated Portfolio may invest a material part of the underlying assets in illiquid securities. Some assets cannot be quickly converted to cash. Therefore, the Segregated Portfolio is meant for investors with a long-term investment horizon.</p>
Currency risk	<p>The base currency of the Segregated Portfolio is U.S. Dollar. Subscriptions and redemptions are in U.S. Dollar. However, the Segregated Portfolio may engage in non-USD denominated assets.</p>
Valuation risk	<p>Independent valuations are no guarantee of market prices in case of disposal.</p>

<sup>†</sup> Please refer to the Memorandum for details of certain risk factors.