



Proteus Overview

The Proteus Platform is the technology and due diligence engine supporting Capita's Alternative Asset Program. Proteus supports Capita advisors and operations staff to facilitate the operational aspects of investing in private alternative asset funds. Clients sign a single, electronic Subscription Agreement to a Proteus Fund to gain access to underlying investments and receive a consolidated K1 regardless of the number of investments selected.

Overview of Important Terms

Minimum	\$250,000 initial subscription, can be allocated to multiple underlying investments
Types of Accounts Eligible to Invest Management Fee	Individual & Joint Accounts, Trusts, IRAs, Endowments, Foundations, etc. .96% annually ¹

Three Types of Underlying Investments

1. Individual Offerings - *I know what I want!*

Alternative Experience Level: High

- Qualified Purchasers only (\$5M)
- Most appropriate for sophisticated clients with existing exposure to alternative investments
- Choose from menu of ~50 funds that have been due diligenced and approved by Proteus
- Each fund is a non-registered product using a limited partnership structure (K1)
- Liquidity will vary from 1 year lock-up with quarterly redemptions to 12 year closed-end funds

Alternative Experience Level: Medium

2. Pools - *I have some exposure to alts, but I am missing something in my portfolio.*

- Thoughtful combinations of between 3-7 underlying funds within a specific alternative asset class
- Qualified Purchasers (\$5M) and Accredited Investors (\$1M or \$200k income)
- Select from between:
 1. Income Fund
 2. Private Equity
 3. Private Credit Core
 4. Private Credit Non-Core
 5. Real Assets Core
 6. Real Assets Non-Core
 7. Hedge Fund Directional
 8. Hedge Fund Absolute Return

3. Complete Alternative Portfolios - *I trust the professionals!*

Alternative Experience Level: All Levels

- Broad exposure to many alternative asset classes based on risk profile made up of many Pools
- Qualified Purchasers (\$5M) and Accredited Investors (\$1M or \$200k income)
- Select from between three set Models: Growth, Diversified and Managed Volatility





CAPITA

PROTEUS



Client Requirements

- **Identity verification for all signers**
 - ✓ Copy of a current Driver's License(s) or Passport(s)
 - ✓ IRS Form W-9 (Request for Taxpayer Identification Number and Certification)
- **Proof of address for all signers dated within the last 90 days**
 - ✓ Utility bill or bank statement
- **Trust Documentation (if applicable)**
 - ✓ First page of the trust agreement
 - ✓ Pages listing all trustees
 - ✓ A Certification of Trust is also acceptable
- **Business entities (corporation, partnership, limited liability company, etc.)**
 - ✓ Certification of Formation
 - ✓ List of Authorized Signatories dated within the last year

1 - This fee is in addition to fund expenses and management and performance fees charged by the underlying manager to the underlying investments. This document does not constitute an offering of any security, product, service, fund, or any other pooled investment vehicle (each, a "Fund") managed and advised by Proteus, LLC, a Delaware limited liability company ("Proteus"), for which an offer can only be made to qualified investors through a Fund's Confidential Offering Memorandum (the "Memorandum") prepared by the Fund. The purchase of interests in a Fund is suitable only for sophisticated investors for whom an investment in a Fund does not constitute a complete investment program and who fully understand and are willing to assume the risks involved in a Fund's investment program. The interests of a Fund will not be registered under the laws of any jurisdiction, including the United States Securities Act of 1933, as amended, or the United States Investment Company Act of 1940, as amended, the laws of any state of the United States, or the laws of any foreign jurisdiction, and may not be offered or sold without compliance with applicable securities laws.





Private Markets Glossary

Absolute Return Hedge Funds	Funds that aim to turn a profit for its investors regardless of the direction of the market
Accredited Investor	Investors with a net worth of \$1M (excluding home) or greater than \$200k income each of the past 2 years
Alternative Assets (Investments)	Any Investment other than stocks or bonds.
Buyout Funds	Strategy where funds look to purchase controlling stakes in companies with the intention to improve the business and exit at a higher multiple.
Call (Capital Call)	When closed-end funds are ready to make investments they will "call" for capital. The amount will be all, or a portion of the total Commitment made to the fund. Calls are communicated via email and must be wired to Proteus.
Carry Fee (Carried Interest)	In a typical 2% and 20% fee structure, the "carry" portion is the 20% fee that gets charged on the fund's returns. Sometimes called a performance fee.
Closed-End Fund	Describes a type of fund where LPs Commit a specific amount of investment and the fund Calls portions of that Commitment over time. Typically, there are no redemption privileges in a closed-end fund. Investors remain in the fund until the fund manager exits the investments in the fund. Fund lives can vary, but 7-12 years is typical.
Co-Invest	Direct investment made by an LP in a company backed by a fund. The LP acquires 2 stakes in the asset, one through the fund and one directly.
Commitment	Capital an LP agrees to contribute to a private fund. Cash is not required until it is called by the GP.
Directional Hedge Funds	Strategy used by managers that open positions (long/short) in the belief that they are able to correctly predict the movement of the price in a security.
Distributions	Payments to LPs in a fund. In the Proteus Platform, distributions can be left on the platform for re-investment or wired out to accounts.
Evergreen Fund (Open-ended funds)	Investment funds with no fixed end date. Evergreen funds provide more flexibility than a closed-end fund because redemptions are allowed (typically only quarterly after a 365-day lock-up period and with 60-90-day notice). Funds may also limit redemption percentages each quarter.
Fund Life	Closed-end funds will typically have an estimated life for the fund. 8-12 years is typical. Investors must remain in the fund for the full life. Some closed-end funds will add extensions to the fund life.
Hedge Funds	An investment partnership with the ability to invest aggressively using a wide variety of strategies like complex trading, portfolio-construction, and risk management techniques such as short selling, leverage, and derivatives. Typically, always evergreen.
Hurdle Rate/Preferred Return	The level of return that must be achieved by the GP before they are able to claim carry.
Leverage	Borrowed money to finance the acquisition of an asset or company.
Lock-up	Period in which investors are not permitted to redeem their investment in the fund
Management Fee	Annual fee charged by the manager to cover the cost and expenses of the fund. The amount varies, but 2% of the net asset value (NAV) of the fund is typical.
Natural Liquidity	Liquidity resulting from GP exiting portfolio investments and issuing Distributions to LPs. The timing of these Distributions from a closed-end fund are typically difficult to predict.
Non-Registered Funds	Refers to the type of investments available on the Proteus Platform which are private limited partnerships that are not registered with the SEC. Because the funds are all non-registered the type of investor allowed to participate is limited, reporting is less structured, and marketing is prohibited. In contrast, there are alternative funds that are registered ('40 Act Funds) such as interval funds, BDCs, public REITS, etc.
Pool	Proteus term used to describe actively managed fund made-up of 3-7 funds all in the same asset class. A way for an investor to get access to a diversified portfolio of alternative investments within an asset class.
Private Credit Funds	Funds that use a range of strategies from financing private companies in the form of loans as well as hedge fund structures trading public fixed income securities. Can be either evergreen or closed-end.
Private Equity Fund	A pooled investment vehicle where a GP pools together the money invested in the fund by all the investors and uses that money to make investments on behalf of the fund. Unlike mutual funds or hedge funds, however, private equity firms often focus on long-term investment opportunities in assets that take time to sell with an investment time horizon typically 10 or more years. Typically, always closed-end.
Qualified Purchaser	An individual with \$5M in investable assets (excluding house) or an entity with \$25M in investable assets.
Real Asset Funds	Funds investing in real assets like infrastructure and real estate. Can be either evergreen or closed-end.
Redemptions	The term used when an LP requests their capital to be returned from the fund. Redemptions are typically not permitted from a closed-end fund.
Secondaries	Acquires stakes in private equity funds from existing LPs.
Subscription Agreement	A subscription agreement is an agreement that defines the terms for a client's investment into a private alternative asset fund. To access any underlying investment on the Proteus Platform, clients must execute a subscription document with a Proteus Fund.