



MPEF I – MERCAN PRIVATE EQUITY FUND I / TARGET-MARKET: NON-PROFESSIONAL INVESTORS

Collective Investment Scheme Identification**MPEF I – MERCAN PRIVATE EQUITY FUND I****Tax number: 720019818****Incorporation date: 5th March 2024****Registration number in CMVM: 2001****Fund Manager**

Finprop Capital SGOIC, S.A., (hereinafter the “FINPROP” or “Fund Manager”) with registered office at Rua Eugénio de Castro, nº 352, 1^º, 4100-225 Porto, registered at the Commercial Registry Office under the single registration and corporate number 516546660, with a share capital of EUR 125,000 (one hundred and twenty-five thousand euros), authorised and regulated by Comissão do Mercado de Valores Mobiliários.

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Terms and Conditions

MPEF I Objectives: The MERCAN PRIVATE EQUITY FUND I – Fundo Fechado de Capital de Risco (MPEF I) (hereinafter the “Fund”) is a close-ended private equity fund (“Fundo de Capital de Risco”) incorporated in Portugal and governed by Decree-Law 27/2023 and by the rules foreseen in its Limited Partnership Agreement. The Fund focus its investment strategy in hospitality sector and invests in companies that operate and render services in the hospitality sector in Portugal. The Fund shall invest in companies with a high potential for growth, appreciation in value and profitability, operating in the hospitality sector, targeting co-investment opportunities with the Mercan Group, to the extent that FINPROP considers that such co-investment is in the Fund’s best interest. The Fund pursues the investment policy by investing, for limited periods of time, in equity (and quasi-equity) instruments, with the goal to benefit from their appreciation. The Fund will target conservative and low risk investments.

Term and Maturity: The Fund has an initial term of 12 (twelve) years from the Fund’s incorporation date, which may be extended for additional periods by extraordinary resolution of the General Meeting of Investors, upon proposal by the Fund Manager, as per the terms established in the Fund’s. If the Fund’s maturity date is not extended, it will enter in liquidation in 5th of March 2036.

Fund’s investment policy and risk factors: The Fund can hold the following assets:

- i. Shares and equity instruments of companies that operate and render services in the hospitality sector in Portugal, including securities or convertible rights, exchangeable or that grant the right to the acquisition of equity;
- ii. Debt instruments, including loans and credits, issued by the companies in which the Fund has invested in or intends to invest;
- iii. Hybrid instruments in companies in which the Fund holds or intends to hold equity positions.

Risk factors: Investing in the Fund’s participation units involves risks. A responsible investment decision requires knowledge of the risks associated with the Fund. The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Fund. Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Prospective investors should review the Fund’s Limited Partnership Agreement and the Key Information Document carefully and in its entirety before making an application for participation units. Prospective investors are advised that the value and income of Fund may go down as well as up and an investment should only be made



by persons who can sustain a loss on their investment. Past performance of the Fund should not be relied upon as an indicator of future performance. The Fund's main risk factors are:

- i. **Capital risk:** The investment in the Fund's participation units may lose value and capital is not guaranteed.
- ii. **Market risk:** The market's context and the transactions executed by other market participants in similar assets to those owned by the Fund, may adversely affect the Fund's portfolio. Potential investors should be aware that under such circumstances, the Fund's assets value may be adversely affected. The underlying investments by the Fund may change in value notably due to variations in the portfolio composition and the assets which form part of such portfolio and therefore the value of the Fund's participation units may increase or decrease;
- iii. **Concentration risk:** the Fund's investment strategy may involve focusing on a limited number of holdings, which could amplify the impact of adverse performance on the overall portfolio;
- iv. **Valuation risk:** the Fund may invest some of its assets in illiquid and/or unquoted securities or instruments. Such investments or instruments will be valued by the Fund Manager and accredited entities in good faith as to their probable realisation value. Such investments are inherently difficult to value and there is no assurance that the estimates resulting from the valuation process will reflect the actual sales or "close-out" prices of such assets;
- v. **Credit risk:** the Fund can invest in debt instruments which are exposed to the default risk of the issuing companies;
- vi. **Political risk:** the value of the Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in applicable laws and regulations.
- vii. **Liquidity risk:** not all instruments invested in by the Fund will be listed or rated and consequently liquidity may be restricted. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Fund may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.
- viii. **Counterparty risk:** the insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to instruments, may expose the Fund to financial loss.
- ix. **Operational risk:** the risk of failures in the organization of the entity involved in the management and administration of the Fund.

Subscription of the Fund's participation units:

- i. The capital of the Fund shall be represented by a maximum of 140,000,000 (one hundred and forty million) Participation Units with the subscription value of € 1.00 (one euro) each.
- ii. Minimum subscription amount per investor:
 - a. Series of Class A participation units: € 250,000.00 (two hundred and fifty thousand Euros), corresponding to 250,000 (two hundred and fifty thousand) participation units;
 - b. Class B participation units: € 100,000.00 (one hundred thousand Euros), corresponding to 100,000 (one hundred thousand) participation units;



- iii. The capital of the Fund is divided into classes, with the following characteristics as described in the Fund's Limited Partnership Agreement:
- a. Class A-1 Participation Units: distributing class of the return mentioned in Article 20 of the Fund's Limited Partnership Agreement – 2% preferred return);
 - b. Class A-2 Participation Units: accumulating class of the return mentioned in Article 20 of the Fund's Limited Partnership Agreement – 2% preferred return); Class A-2 units will be entitled to additional interest of 2% in years 8, 10 and 12;
 - c. Class B Participation Units: to be subscribed by Mercan Group.
- iv. The price of the Participation Units is determined by the Fund Manager on a six-month basis in accordance with the applicable legal and regulatory provisions, including those set out in Decree-Law 27/2023 and in CMVM Regulation no. 7/2023.
- v. The Fund's capital and/or income shall be allocated and distributed among all Investors holding Class A-1 and Class A-2 Participation Units, in proportion to the subscribed capital, until the Fund has assigned to the same an amount ensuring an annual internal rate of return of 2% (two per cent) on the amount contributed in respect of Class A-1 and Class A-2 Participation Units ("Preferred Return") starting to accrue in the following dates:
- a. on 1 January 2025, if the subscription is made until 30 June 2024 (in which case they will be regarded as "Series 1" Class A Participation Units) and the ISINs of the participation units are:
 - CLASS A1 - SERIES 1: PTFPPBIM0004
 - CLASS A2 - SERIES 1: PTFPPCIM0003
 - b. on 1 January 2025, if the subscription is made between 1 July 2024 and 31 December 2024 (in which case they will be regarded as "Series 2" Class A Participation Units) and the ISINs of the participation units are:
 - CLASS A1 - SERIES 2: PTFPPEIM0001
 - CLASS A2 - SERIES 2: PTFPPHIM0008
 - c. on 1 January 2026, if the subscription is made between 1 January 2025 and 31 December 2025 (in which case they will be regarded as "Series 3" Class A Participation Units) and the ISINs of the participation units are:
 - CLASS A1 - SERIES 3: PTFPPFIM0000
 - CLASS A2 - SERIES 3: PTFPPIIM0007
 - d. on the 1 January 2027, if the subscription is made after 1 January 2026 (in which case they will be regarded as "Series 4" Class A Participation Units) and the ISINs of the participation units are:
 - CLASS A1 - SERIES 4: PTFPPGIM0009
 - CLASS A2 - SERIES 4: PTFPPJIM0006

The Preferred Return is payable one (1) year after of started accruing and in the months referred to in Article 19, paragraph 3. In regard to the Class A-2 Participation Units, there will be no distributions, and the amount of Preferred Return will be accumulated and will increase the Net Asset Value of the Class A-2 Participation Units ("Preferred Capitalisation"). Once the payment of the Preferred Return and the Preferred Capitalisation are ensured, the remaining capital and/or income shall be distributed to the Investors holding Class B Participation Units in proportion to the subscribed capital ("Class B Return"). The Class B Participation Units ISIN number is:



- CLASS B: PTFPPDIM0002
- vi. The Participation Units may be subscribed in different stages:
- a. First subscription stage: begins on the Business Day following the notification by CMVM of the Fund's registration number and ends on the date when participations units representing € 1,000,000 (one million euros) have been subscribed ("First Closing");
 - b. Subsequent Subscription Stages:
 1. the first Subsequent Subscription Stage shall begin on the Business Day following the First Closing and ends one month later, provided that subscriptions have been placed within such period; otherwise additional successive periods of one month will begin with the Subsequent Subscription Stage ending at the end of the following month period in which subscriptions have been placed ("Subsequent Closing"); and
 2. each following Subsequent Subscription Stage shall begin on the Business Day following the immediate prior Subsequent Closing and ends one month later (being applicable the foregoing provisions in case no subscription has been placed in said three months period), unless the total amount of capital placed for subscription is subscribed, in which case, the then running Subscription Stage shall end and the Final Closing shall take place;
 3. Final Subscription Stage – without prejudice to the final part of paragraph vi. b. ii, above, this stage shall begin on the Business Day following the Subsequent Closing ending on the date falling 35 (thirty five) months after the Fund Incorporation Date and ends on the first of (i) the date when participations units representing the total amount of € 140,000,000.00 euros have been subscribed or (ii) the date falling 36 (thirty six) months after the Fund Incorporation Date ("Final Closing").
- vii. In order to subscribe the participation units, aside for the execution of the subscription form, the subscribers must instruct their custodian agent to acquire the participation units on their behalf via Interbolsa's systems. After the approval of the subscription form, the Fund Manager shall notify the subscribers to contribute the amount established for their respective participation units within 5 (five) days (as per clause vi of the current section).
- viii. If on the Final Closing the capital of the Fund placed for subscription is not fully subscribed, the capital of the Fund shall correspond to the capital actually subscribed, without prejudice to the possibility of a capital increase as provided for by law and by the Fund's Limited partnership agreement.

Fund's expenses and fees:

(i) Management fee

- a. Fixed fee: € 2,000.00 (two thousand Euro) per month; plus
- b. Variable fee: 0.25% (twenty-five basis points), per annum, of the amount of capital of the Fund subscribed by the investors, adjusted by inflation (as per the methodology explained in Article 29 of the Fund's Limited partnership agreement), being this amount subject to a minimum amount of € 6,000.00 per month.
- c. The management fee is due monthly and paid until the twentieth business day of each month.



(ii) **Depository fee**

- a. The depository fee: 0.05% (five basis points) per annum, charged on a quarterly basis, over the capital of the Fund.
- b. The depository fee is subject to a minimum amount of € 10,000.00 per year.

(iii) **Other expenses**

The Fund shall bear all the expenses incurred in its setting-up, operation and management, including the following:

- remuneration of the Auditor;
- costs relating to the subscription of the participation units;
- costs associated with the integration of the participation units in CVM;
- fees payable to CMVM;
- costs associated with applications of cash surpluses, including transactions taxes and intermediation fees;
- third-party operational costs directly associated with the management and administration of the Fund, including costs incurred with legal, financial and tax consultants directly relating to the Fund's assets, as well as taxes, publications and mandatory registrations;
- third-party operational and commercial costs directly associated with sourcing investments for the Fund;
- costs relating to the documentation to be provided to the Investors, including with the website, as well as to the convening and functioning of the General Meeting of Investors;
- third-party costs incurred with materially relevant valuations that may be performed by a separate independent entity;
- costs of wire transfers and other banking fees;
- third-party costs incurred directly with the investments and divestments of the Fund's capital, whether or not completed, and with the valuation of assets acquired or to be acquired by the Fund;
- costs of the Fund's winding-up and liquidation;
- costs that come to be approved by the General Meeting of Investors, as long as directly related to the Fund;
- the establishment fees;
- other costs as long as they result from the fulfilment of legal obligations;
- others provided for by law.

Reporting to investors:

The Fund Manager reports the price of the participation units held and the detailed composition of the Fund's portfolio to the respective investors by i) email with acknowledgement of receipt or ii) through Interbolsa (which may communicate by e-mail or other mean, with the possibility of being intermediated by the registration entities with which the investors have individualised registration accounts for the participation units), in the following terms:

- The information related to the last day of June, until the end of August;



- The information related to the last day of December, at the annual General Meeting of Investors called for presentation and assessment of the Fund's annual accounts.

Additionally, as supplementary information to the investors, the Fund Manager shall also perform a quarterly valuation of the investments of the Fund and prepare quarterly reports that shall be provided to the investors within 45 days following the last day of March, June, September and December. The Fund Manager will report the price of the participation units on a quarterly basis to the CMVM Information Disclosure System (www.cmvm.pt).

Processing of Personal Data:

Within the scope of its activity, the Fund Manager collects and processes the Prospective investors and the Investors' personal data for the management of the Fund, ensuring that it is processed in accordance with the rules arising from the General Data Protection Regulation (Regulation (EU) 2016/679) and other applicable national relevant legislation. The personal data will be exclusively used by the Fund Manager within the scope of its activity and for the management of the contractual relations contained in the Fund. Under the terms of the applicable law, Prospective investors and Investors who hold personal data, have the right of access, rectification, opposition, portability, restriction of processing and erasure which they may exercise by submitting a written request to the Fund Manager, using the contact information indicated above. For further information, please consult the Privacy Policy of FINPROP, available at: www.finpropcapital.com. Prospective investors and the Investors may also, submit complaints or requests for information to the National Data Protection Commission, which is the national supervisory authority and for the purposes of the General Data Protection Regulation and applicable national legislation.

IMPORTANT DISCLOSURES:

- The terms and conditions and the risks of the investment in this Fund are detailed in the Fund's documentation, notably, in the Limited Partnership Agreement, in the Subscription Form and in the Key Information Document, together with any appendices thereto current at the date of this subscription (together, the "Fund's Documents") shared with the subscriber together with this Subscription Form and which form integral part of it.
- The submission of the current Subscription Form implies that the subscriber has read and agreed with the terms and conditions of the Fund's Documents.
- Entities that are part of the Mercan Group acts as the Fund Manager's advisory and introducer.
- The subscriber acknowledges that the Fund Manager reserves the right to reject any application in whole or in part.



Subscriber identification: Individual Applicants

Title	<input type="text"/>	First Name:	<input type="text"/>
Last Name:	<input type="text"/>		
Any Former Name:	<input type="text"/>		
Date of Birth:	<input type="text" value="d"/> <input type="text" value="d"/> <input type="text" value="m"/> <input type="text" value="m"/> <input type="text" value="y"/> <input type="text" value="y"/> <input type="text" value="y"/> <input type="text" value="y"/>	Country of Birth:	<input type="text"/>
Nationality:	<input type="text"/>		
Other Nationality:	<input type="text"/>		
Main Address:	<input type="text"/>		
	<input type="text"/>		
Post code:	<input type="text"/>	City:	<input type="text"/>
Country:	<input type="text"/>		
Job:	<input type="text"/>	Employer:	<input type="text"/>
Passport / ID number:	<input type="text"/>	Expiry date:	<input type="text" value="d"/> <input type="text" value="d"/> <input type="text" value="m"/> <input type="text" value="m"/> <input type="text" value="y"/> <input type="text" value="y"/> <input type="text" value="y"/> <input type="text" value="y"/>
Passport / ID Country:	<input type="text"/>		
Tax number	<input type="text"/>		
Email:	<input type="text"/>		
Contact number:	<input type="text"/>		

Note: If the Subscription Form is signed under a power of attorney, the power of attorney (or certified copy) must be certified and apostilled and attached to the Subscription Form



Subscriber identification: Corporate Applicants

Corporate Details

Company Name																													
Any Former Name:																													
Date of Incorporation:	d	d	m	m	y	y	y	y	Country of Incorporation:																				
Registered Address:																													
Post code:													City:																
Country:																													
Registration number::																	Name of regulator (if applicable):												
Activity:																													
Tax number																													
Email:																													
Contact number:																													

Authorised signatories

The following individuals are authorised to give instructions on the account:

Name:	_____	Signature:	_____
Name:	_____	Signature:	_____
Name:	_____	Signature:	_____



Bank details

Bank name:																													
Address:																													
Post code:													Country:																
Branch code:																													
Account name:																													
Account IBAN:																													

Subscription details

Subscription of Participation Units:

Number of Class A-1 Participation Units:									Distributing Class
Number of Class A-2 Participation Units:									Accumulating Class
Number of Class B Participation Units:									Available to Mercan Group, only

Minimum subscription amount per investor is € 250,000.00 (two hundred and fifty thousand Euros), corresponding to 250,000 (two hundred and fifty thousand) for the Series of Class A participation units and € 100,000.00 (one hundred thousand Euros), corresponding to 100,000 (one hundred thousand) for the Class B participation units. As described above; to subscribe the participation units, subscribers must execute this subscription form and instruct their custodian agent to acquire the participation units on their behalf. Upon approval of the subscription form, the Fund Manager shall notify the subscribers to contribute the amount established for their respective participation units within 5 (five) days.



Schedule 1

APPLICABLE TO U.S. RESIDENT INVESTORS

US Securities and Tax Addendum

Certain Representations and Warranties

1. The Investor represents, warrants and confirms that:
 - a. the Investor is a US Person as such term is defined in Appendix II and accordingly the Investor further represents and warrants (and, where applicable, undertakes) to the terms set out in this Schedule 1.
 - b. Is applying to invest in the Fund:
 - i. For its own account as principal; or
 - ii. For one or more separate accounts maintained by the Investor.In each case, for investment purposes only and not with a view to or for the resale, distribution or fractionalization, in whole or in part, of that investment, and no other person has or will have a direct or indirect beneficial interest in that investment.
2. The Investor understands that:
 - a. the offering and sale of the Fund Interests is intended to be exempt from registration under the Securities Act and any applicable state securities laws in reliance upon exemptions for non-public offerings;
 - b. the Fund will not be registered under the 1940 Act in reliance upon applicable exemptions thereunder; and
 - c. consequently, Fund Interests may not be offered, sold, transferred or pledged, unless (i) pursuant to an available exemption from registration under the Securities Act and any applicable state securities laws; and (ii) the Fund has received an opinion of counsel to such effect satisfactory to the Fund Manager.
3. The Investor understands that:
 - a. the Fund is under no obligation to register the Fund Interests on its behalf or to assist it in complying with any exemption from such registration under the Securities Act or otherwise;
 - b. no governmental agency or authority has passed upon or will pass upon the Fund Interests or has made or will make any finding or determination as to the fairness of the Investor's investment;
 - c. legends stating that the Fund Interests have not been registered under the Securities Act and any other applicable securities laws and setting out or referring to the restrictions on the transferability and resale of the Fund Interests may be placed on all documents, if any, evidencing the Fund Interests.
4. The Investor represents, warrants and confirms that the Investor first learned of the Fund in the US state named in the Investor's postal address (specified on page 1 of Appendix 1) and the Investor intends that the securities laws of that state govern its acquisition of an interest in the Fund; and the Fund Manager will not be registered as a commodity pool operator under the rules of the US Commodity Futures Trading Commission or an investment adviser under the Investment Advisers Act, and, accordingly, the Investor will not be afforded the protections required of an investment vehicle so registered or managed.
5. If the Investor will own 20% or more of the Fund's outstanding voting equity securities, calculated on the basis of voting power (a "**20% Beneficial Owner**"), no such 20% Beneficial Owner is subject to any of the "Bad Actor" disqualification categories under Rule 506(d) of the Securities Act. The Investor agrees to:
 - a. notify the Fund Manager as soon as reasonably practicable after any such 20% Beneficial Owner becomes subject, or may reasonably likely become subject, to any "Bad Actor" disqualification under Rule 506(d) of the Securities Act; and
 - b. furnish additional documentation requested by the Fund Manager in connection with the offering of Fund Interests hereby and compliance with Rule 506(d) of the Securities Act.



For purposes of this paragraph, “beneficial ownership” shall be interpreted in accordance with Rule 506(d) of the Securities Act and Exchange Act Rules 13d-3 and 13d-5(b), and shall include, for the avoidance of doubt (i) direct and indirect interests in the Fund Interests and (ii) any “group” formed by the 20% Beneficial Owner and any other beneficial owner of Fund Interests (such as by the 20% Beneficial Owner and such other beneficial owners agreeing to act together for the purpose of acquiring, holding, voting or disposing of Fund Interests).

6. The Investor understands and agrees that the Fund Manager or any affiliate of the Fund Manager may engage in “agency cross transactions” as defined in Rule 206(3)-2 (“**Agency Cross Transactions**”) under the Advisers Act, in which the Fund Manager or such affiliate acts as a broker for both the Fund and the Investor and for another person or entity on the other side of the transaction. The Investor understands and agrees that the Fund Manager or such affiliate may have a potentially conflicting division of loyalties and responsibilities regarding, both parties to such Agency Cross Transactions.
7. To the best of the Investor’s knowledge, unless the Investor has otherwise notified the Fund Manager in writing, the Investor does not control, nor is the Investor controlled by or under common control with, any other Investor to the Fund.
8. The Investor represents, warrants and confirms that in applying to invest in the Fund, the Investor is acting for itself beneficially and not as nominee, trustee or agent for any other person.
9. The Investor represents, warrants and confirms that the Investor is resident for tax purposes in the country that it has identified as its country of tax residence on page 2 of Appendix I.
10. The Investor represents, warrants and confirms that the Investor is a “United States person” as defined in the Code, in which case the Investor hereby gives the certifications, undertakings and confirmations set out in paragraph 5 (Tax matters) of Appendix 1, as if that paragraph were set out in full in this Schedule 1.
11. The Investor is not (and no person controlling, controlled by or under common control with the Investor, or on whose behalf the Investor is applying to acquire a beneficial interest in the Fund, is) named on any of the following:
 - a. the Specially Designated Nationals and Blocked Persons List maintained by the US Office of Foreign Assets Control¹;
 - b. the Denied Persons List or Entity List each as maintained by the US Department of Commerce²;
or
 - c. the Foreign Terrorist Organizations List maintained by the US Department of State³.
12. The Investor represents, warrants and confirms that no agent of the Investor has, in connection with its investment in the Fund, been offered or received any payment of money or any other thing of value, from the Fund or any other person or entity, or on behalf of the Fund, for the purpose of influencing or inducing any act or decision related to such investment, in violation of applicable anti-bribery laws and regulations, including but not limited to the United States Foreign Corrupt Practices Act of 1977, as amended.

¹ Note: Available at <https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>

² Note: Available at <https://www.bis.doc.gov/index.php/policy-guidance/lists-of-parties-of-concern/>

³ Note: Available at <https://www.state.gov/j/ct/rls/other/des/123085.htm>



Appendix I

1. Accredited Investor Status

The Investor represents, warrants and confirms that it is an "accredited investor", as defined in rule 501(a) of Regulation D under the Securities Act, and the Investor further represents and warrants that each statement that it has selected below is true and agrees to verify Investors accredited status as instructed below:

(a)	the Investor is a natural person whose individual net worth, or joint net worth with the Investor's spouse (or spousal equivalent), exceeds \$1,000,000*;	<input type="checkbox"/>
(b)	the Investor is a natural person who had an individual income in excess of \$200,000 in each of the two most recent years, or joint income with the Investor's spouse (or spousal equivalent) in excess of \$300,000 in each of those years, and has a reasonable expectation of reaching the same income level in the current year;	<input type="checkbox"/>
(c)	the Investor is a natural person, in good standing, holding one or more professional certifications or designations or other credentials from an accredited educational institution that the U.S. Securities and Exchange Commission has designated as qualifying an individual for accredited investor status:	<input type="checkbox"/>

If so, check one: Licensed General Securities Representative (Series 7)

Licensed Investment Advisor Representative (Series 65)

Licensed Private Securities Offerings Representative (Series 82)

Registration Number: _____

** The term "net worth" means the excess of total assets over total liabilities. In calculating "net worth", the Investor: (i) should not include as an asset the value of the Investor's primary residence; (ii) should not include as a liability the related amount of indebtedness secured by such primary residence (up to the fair market value of such primary residence); and (iii) should include as a liability the related amount of such indebtedness, if any, in excess of the fair market value of such primary residence (if the Investor has increased the amount of indebtedness secured by the Investor's primary residence within 60 days prior to the date of this Investor Agreement and such increase is not as a result of the acquisition of the primary residence, the Investor must include such increase as a liability regardless of whether the amount of overall indebtedness is less than the estimated fair market value of the residence).*

Accredited Investor Verification Methods. All Investors *must verify* their accreditor investor status. Each Investor may use ANY ONE of the following three verification methods to provide verification of their status as an accredited investor.

(a) THIRD PARTY VERIFICATION: This method requires confirmation on the letterhead of a registered broker-dealer, investment advisor, lawyer or CPA stating that the Investor is an accredited investor and dated as of the date of your subscription or from a reputable third-party verification website (e.g. www.verifyinvestor.com). Letters must be substantially in the form of the attached Exhibit 1-A to this Appendix I.

(b) INCOME: Individual prospective Investors only may elect to provide a copy of Form W-2, or Form 1099, or Schedule K-1 of Form 1065 AND a filed Form 1040 for the past two (2) years and a reasonable expectation of reaching the same income level in the current year.

(c) NET WORTH: Individual prospective Investors only may elect to provide a copy of bank or brokerage statement, certificates of deposit or tax assessment, and/or independent third-party appraisal reports dated within past three (3) months of their subscription showing value in excess of \$1,000,000 AND a recently dated (no older than ninety (90) days of your subscription) credit report from at least one national consumer reporting agency.



2. Tax matters

2.1. The Investor certifies under penalty of perjury that:

- a) the Investor's taxpayer identification number provided on page 2 of this Appendix 1 is correct;
- b) the Investor is none of the following:
 - i) a non-resident alien individual;
 - ii) foreign trust; or
 - iii) a foreign estate,(each as defined in the Code).

2.2. The Investor undertakes to notify the Fund Manager within five days of a change to its foreign status.

2.3. Except to the extent that the Investor has advised the Fund Manager otherwise in writing if the Investor is a trust, the Investor is a United States resident for United States federal income tax purposes; and

2.4. The Investor shall provide the Fund Manager with a completed and signed IRS Form W-9 (including any successor forms) (see Appendix III) and the Investor hereby certifies under penalties of perjury that (a) the Investor's name and address provided herein are true and correct and (b) the Investor's taxpayer identification number or social security number set forth in such Form W-9 is true and correct (or, if none is indicated, the Investor has applied, or will apply, for such a number and will provide it to the Fund within 60 days after the execution hereof) and that the Investor is not subject to backup withholding because (x) the Investor is exempt from backup withholding or (y) the Investor has not been notified by the US Internal Revenue Service that the Investor is subject to backup withholding as a result of a failure to report all interest or dividends (or, if the Investor has been so notified, the US Internal Revenue Service has subsequently notified the Investor that the Investor is no longer subject to backup withholding). The Investor agrees to notify the Fund within 60 days after it ceases to be a US Tax Person or any of the foregoing information changes.

3. Privacy

The Investor confirms that it has separately received a notice regarding privacy of financial information under SEC Regulation S-P (the Privacy Rule) and agrees that an investment in the Fund is a financial product that it has requested and authorised; and in accordance with the Privacy Rule, the Investor acknowledges and agrees that the Fund may disclose the Investor's non-public personal information to the Fund's accountants, attorneys and other service providers as necessary to effect, administer and enforce the rights and obligations of the Fund and its investors.



Appendix II

US Definitions

1940 Act means the US Investment Company Act of 1940, as amended

Code means the Internal Revenue Code of 1986, as amended

ERISA means the United States Employee Retirement Income Security Act of 1974, as amended

Exchange Act means the US Securities Exchange Act of 1934, as amended

FOIA means U.S. Freedom of Information Act 5 U.S.C. § 552

Investment Advisers Act means the US Investment Advisers Act of 1940, as amended

Securities Act means the Securities Act of 1933, as amended

United States or US means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia

US Person means:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organized or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a US person;
- (d) any trust of which any trustee is a US person;
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and/or
- (h) any partnership or corporation if
 - (i) organized or incorporated under the laws of any foreign jurisdiction; and
 - (ii) formed by a US person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

Notwithstanding the above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States shall not be deemed a "US person."

Notwithstanding the above:

1. any estate of which any professional fiduciary acting as executor or administrator is a US person shall not be deemed a US Person if an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and the estate is governed by foreign law;
2. any trust of which any professional fiduciary acting as trustee is a US Person shall not be deemed a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person;
3. an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a US Person;
4. any agency or branch of a US Person located outside the United States shall not be deemed a US Person if the agency or branch operates for valid business reasons and the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and
5. the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans shall not be deemed US Persons.

US Tax Person means: (as defined under the U.S. Internal Revenue Code (the "Code") and the Treasury Regulations promulgated thereunder):

1. An individual who is a U.S. citizen or a U.S. "resident alien." Currently, the term "resident alien" is defined to generally include an individual who (i) holds a Permanent Residence Card (a "green card") issued by the U.S. Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (i) an individual is present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days on which such individual



- is present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days.
2. A corporation or partnership created or organized in the United States or under the law of the United States or any state.
 3. A trust where (i) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. Persons have the authority to control all substantial decisions of the trust or (ii) a valid election is in effect for the trust to be treated as a U.S. Person.
 4. An estate that is subject to U.S. tax on its worldwide income from all sources.

For purposes of the definitions above, the term “United States” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia. Persons requiring details regarding other terms used in the definitions below should contact the Fund.

Commodity Interests means commodity futures contracts, options on commodity futures contracts and options on physical commodities traded on or subject to the rules of:

- a. any contract market designated for trading such transactions under the U.S. Commodity Exchange Act, as amended, and the rules thereunder; or
- b. any board of trade or exchange outside the United States, as contemplated in Part 30 of the rules under the U.S. Commodity Exchange Act, as amended.

Public Company means a company that:

- a. files reports pursuant to Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended; or
- b. has a class of securities that are listed on a “Designated Offshore Securities Market”, as defined by Regulation S of the Securities Act.

Financial Contract means any arrangement that:

- a. takes the form of an individually negotiated contract, agreement, or option to buy, sell, lend, swap or repurchase, or other similar individually negotiated transaction commonly entered into by participants in the financial markets;
- b. is in respect of securities, commodities, currencies, interest or other rates, other measures of value, or any other financial or economic interest similar in purpose or function to any of the foregoing; and
- c. is entered into in response to a request from a counter party for a quotation, or is otherwise entered into and structured to accommodate the objectives of the counterparty to such arrangement.

Physical Commodities means any physical commodity with respect to which a Commodity Interest is traded on a market specified in the definition of Commodity Interests above.

Related Person means a person who is related to the Investor as a sibling, spouse or former spouse, or is a direct lineal descendant or ancestor by birth or adoption of the Investor, or is a spouse of such descendant or ancestor; provided, that in the case of a Family Company, a Related Person includes any owner of the Family Company and any person who is a Related Person of such an owner.

Family Company means a company, partnership or trust that owns not less than \$5,000,000 in investments and that is owned directly or indirectly by or for two or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations or trusts established by or for the benefit of such persons.

Real estate that is used by the owner or a Related Person (as defined below) of the owner for personal purposes, or as a place of business, or in connection with the conduct of the trade or business of such owner or a Related Person of the owner, shall NOT be considered real estate held for investment purposes; provided, that real estate owned by an Investor that is engaged primarily in the business of investing, trading or developing real estate in connection with such business may be deemed to be held for investment purposes. However, residential real estate shall not be deemed to be used for personal purposes if deductions with respect to such real estate are not disallowed by Section 280A of the Code.

A Commodity Interest or Physical Commodity owned, or a Financial Contract entered into, by the Investor that is engaged primarily in the business of investing, reinvesting or trading in Commodity Interests, Physical Commodities or Financial Contracts in connection with such business may be deemed to be held for investment purposes.

For purposes of determining the amount of investments owned by a company, there may be included investments owned by majority-owned subsidiaries of the company and investments owned by a company (Parent Company) of which the company is a majority-owned subsidiary, or by a majority-owned subsidiary of the company and other majority-owned subsidiaries of the Parent Company.



Appendix III

Tax Forms

This Appendix III **Error! Reference source not found.** lists certain US tax forms that the Fund Manager may be required under US law to collect from the Investor.

These forms will be used to determine applicable US withholding tax obligations on payments received by the Fund and/or distributions made or deemed made by the Fund to its investors (including the Investor, should this application be accepted).

The Investor is strongly advised to consult its own tax advisers to determine which of the forms must be completed and for assistance with completing the appropriate form. The Fund will not consider an IRS Form complete unless the Investor has submitted all statements, certificates or other documents required by the applicable IRS Form.

Please be aware that the Investor may be required to provide updated tax forms (and possibly other information) from time to time.

If the Investor is a US Tax Person:

Form W-9 - The Investor should provide Form W-9, including any successor forms.

These forms and related instructions are available on the website of the US Internal Revenue Service (the **IRS**) (<https://www.irs.gov/>). Once it has completed the applicable form(s), the Investor should send the completed form(s) to the Fund Manager together with the completed and executed Investor Agreement. **The Investor should not send the form(s) to the IRS.**



Signatures

By signing below:

- A. I confirm that the subscription is made on the terms and conditions set out herein, in particular the risks underlying the subscription of participation units specified in this Subscription Form.
- B. I declare that I know and hereby accept the terms and conditions established in the Fund's Documents and that I can acquire the Participation Units of the Fund, having full powers and authority to execute this Subscription Form. On this basis, I hereby agree to subscribe the number of participation units specified in this Subscription Form.
- C. I certify the above information to be true and correct and that I will supply all required information with my subscription.
- D. I confirm that, if the Fund Manager accepts further subscriptions into the Fund, the above information, confirmations, representations, warranties and statements may be relied upon in the absence of any changes advised to the Fund Manager.

Signature: _____

Name (block capitals): _____

Position (if applicable): _____

Date: _____

EXHIBIT 1-A TO THE APPENDIX I
THIRD PARTY ACCREDITED INVESTOR CERTIFICATION

[Letterhead of Registered Broker-Dealer, Registered Investment Adviser, Certified Public Accountant, or Licensed Attorney]

To: **MERCAN PRIVATE EQUITY FUND I - FUNDO FECHADO DE CAPITAL DE RISCO (MPEF I)** (the "Fund")

The undersigned has been requested by _____ ("Client") to provide this Certification (this "Certification") as part of Client's proposed investment in the Fund, pursuant to a private placement under Rule 506(c) being conducted by the Fund pursuant to a Private Placement Memorandum dated [DATE], 2022 (the "Memo").

I am, and have served Client as, a (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> FINRA registered broker-dealer | <input type="checkbox"/> Licensed attorney who is in good standing in the laws of the jurisdiction in which he or she is admitted to practice law |
| <input type="checkbox"/> SEC registered investment adviser | <input type="checkbox"/> Certified public accountant who is duly registered and in good standing in the laws of the place of his or her residence or principal office |

I have known and served Client since (insert date): _____.

I understand that a person or an entity is considered an accredited investor if he/she or it satisfies any of the criteria set forth in the Memo under Part II of the Investor Questionnaire.

In reaching my conclusion that Client is an "accredited investor" as of the date of this Certification, I reviewed the following documents provided to me by Client (please check as applicable):

- Form W-2, Form 1099, or Schedule K-1 of Form 1065, and a filed Form 1040 form verifying Client's income for the past two years;
- A credit report from at least one of the nationwide consumer reporting agencies and one of the following documents:
- Bank statement dated within the past three months showing assets in excess of \$1 million;
- Bank statement dated within the past three months showing assets in excess of \$5 million;
- Brokerage statement dated within the past three months showing assets in excess of \$1 million;
- Brokerage statement dated within the past three months showing assets in excess of \$1 million.

The undersigned hereby authorizes the Fund to rely on this Certification.

This Certification is being provided to the Fund as of the date hereof.

Very truly yours,

[Name of: Registered Broker-Dealer, Registered Investment Adviser, Certified Public Accountant, or Licensed Attorney]

By: _____

(Signature)

Name:

Title: