

Digital Markets Infrastructure

# Service Description



**LSEG**

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# Introduction

## CONTEXT

LSEG B3 Ltd is authorised by the Financial Conduct Authority (“**FCA**”) in the UK as a ‘service company’, with permission to carry out certain arranging activities for a Digital Market Infrastructure (“**DMI**”).

DMI is providing Services which include:

- Digital Record-Keeping
- Asset Creation
- Arranging Transactions
- Fund Servicing

in the sense described in this document.

Services will be provided in relation to Funds which are structured and regulated as an Alternative Investment Fund under the UK’s Alternative Investment Fund Managers Directive.<sup>1</sup>

DMI is structuring its offering to provide Services to professional investors and eligible counterparties only, in accordance with COBS 3 - Client Categorisation of the FCA Handbook. This requires DMI to categorise a Customer, confirming they are not retail investors.

In addition, there are further customer categorisations DMI will make for the purposes of ensuring financial promotions are made only to exempt investors, including promotions of units in collective investment schemes.

## TARGET AUDIENCE

This service description is relevant for the following parties who, to avail of the Services, will need to become a Customer:

- Workspace users that want to access and use the full suite of Services;
- Fund Managers or General Partners who want to admit a Fund on DMI; and
- Investors who want to access DMI for the purposes of investing in a Fund.

## PURPOSE OF THE SERVICE DESCRIPTION

This service description is designed to provide a detailed overview of the operational procedures and processes governing the functioning of DMI.

## WHOM TO CONTACT

If you have questions on this service description, please email LSEG at [dmi-operations@lseg.com](mailto:dmi-operations@lseg.com)

<sup>1</sup> Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010, as amended and as transposed into UK law.

## DEFINITIONS

Arranging Transactions	means the Service provided by LSEG B3 through DMI where a Fund may be admitted by its Fund Manager on DMI and thereby facilitate the communication of Expressions of Interest and Indications of Interest, as applicable, and certain related information including via Document Exchange, in accordance with the Terms.
Customer	means any person who has agreed to the Terms.
DMI	means the digital market infrastructure platform provided by LSEG B3 to Customers under the Terms.
DMI Instrument	means any assets or financial instruments (i.e. the Fund interests) to which Investors are entitled as a consequence of the primary issuance of such assets or instruments which occurs externally to DMI and records of which are evidenced by the Tokens (i.e., a DMI Instrument is an interest in a private fund).
DMI Record	means the ledger maintained by LSEG B3 Ltd recording transactions that have been arranged in DMI Instruments through DMI.
Document Exchange	means the virtual data room provision supporting fund documentation.
Expression of Interest	means a communication from an Investor through DMI in relation to investment opportunities that Fund Manager or General Partner has posted on DMI.
Fund	means any investment fund that is authorised by LSEG B3 to be listed on DMI in accordance with the Terms.
Fund Administrator	means, with respect to a Fund, the duly authorised fund administrator.
Fund Manager	means, with respect to any Fund, any Customer that is the duly authorised fund manager of that Fund.
General Partner	means, with respect to a Fund, the general partner, trustee or management company of the Fund (if applicable), or in the event of a Fund that is a company, the Fund itself, acting through its board.
Indication of Interest	means a communication from an Investor through DMI in relation to subscribing to a Fund with an (optional) proposed commitment amount.
Investor	means any Customer that uses DMI to be introduced to opportunities to invest in Funds.
Services	means the provision of DMI and the related services provided in relation to the provision of DMI as set out in the Terms, and such other services as may be provided by LSEG B3 Ltd in connection with the provision of DMI to any Customer from time to time.
Subscription Agreement	means the agreement between the Investor and the Fund Manager or General Partner, which is signed off-platform, relating to primary deals between those parties.
Terms	means the <i>Terms and Conditions: Digital Market Infrastructure</i> (as may be amended from time to time).
Tokens	means an operational feature of DMI, being the association of public/private cryptographic keys and entries recorded on the distributed ledger technology reflecting the primary issuance of a DMI Instrument outside DMI, but which is recorded to DMI.
Users	means any individual person at a Customer who has been granted the relevant rights to use the Services.

# Business Day and Business Calendar

The Services are available from Monday to Friday. The Services are closed at the weekends and on the following UK Bank Holidays in 2025:

UK Bank Holidays	Date
New Year's Day	1 January
Good Friday	18 April
Easter Monday	21 April
Early May Bank Holiday	5 May
Spring Bank Holiday	26 May
Summer Bank Holiday	25 August
Christmas Day	25 December
Boxing Day	26 December

## Opening Hours

The Services are operational from Monday – Friday between 0900-1700hrs (GMT).

During a normal operational state all Services will be available to Customers on DMI. DMI will arrange scheduled maintenance windows. Users will be notified by email in advance of the scheduled maintenance.

## Participants

DMI is structuring its offering to provide the Services to professional investors and eligible counterparties only in accordance with COBS 3 - Client Categorisation, part of the FCA Handbook. This requires DMI to categorise each Customer to confirm they are not a retail investor.

There are three "participant" roles available on DMI to Customers:

- Fund Manager or General Partner;
- Investor; and
- Service Providers such as a Fund Administrator.

The participant role determines the nature of a User's access to and use of DMI, in addition to the information visible to a User on DMI. A Customer may have one or multiple participant roles on DMI.

A legal entity can become a participant if it becomes a Customer by completing a Customer Onboarding Application (which is then accepted or otherwise by DMI Operations) and agrees to the Terms by executing the *Customer Agreement: Digital Markets Infrastructure*. Participant credentials are then created by DMI Operations and the Customer is assigned a participant role (or roles) in DMI and its Users are granted the relevant rights to use the Services.

A Customer and its specific participant role is identified in DMI primarily through its Legal Entity Identifier ("LEI"). Other Customer data such as organisation name, registration number, address, country of registration is captured during the application process and stored in DMI.

### FUND MANAGER OR GENERAL PARTNER

A participant authorised as a Fund Manager or General Partner in DMI can perform the following activities:

- provide all necessary information to DMI for setting-up the Fund Manager or General Partner as a Customer in DMI, including AML/KYC documentation;
- assist with the onboarding of a Fund onto DMI by providing all required information and documentation of the Fund (e.g. the Private Placement Memorandum (PPM) and Limited Partnership Agreement (LPA));
- assist with the primary raise of a Fund by admitting the Fund on DMI;

- receive an Expression of Interest from an Investor through DMI in relation to investment opportunities that Fund Manager or General Partner has posted on DMI;
- facilitate the off-platform due diligence process of a Fund following an Investor's submission of an Expression of Interest on-platform by providing documentation in relation to the Fund via the on-platform Document Exchange feature; and
- submit an Investor's allocation to DMI for each subscription in a Fund that has been completed off-platform which will involve uploading the relevant Subscription Agreement with the Investor.

All the below activities are done by a Fund Manager or General Partner off-platform:

- perform due diligence on an Investor who has submitted an Expression of Interest;
- negotiate proposed contributions in the Fund during the fund-raising period with Investors;
- finalise and sign primary deals with Investors by way of Subscription Agreements; and
- distribute DMI Instrument(s) to an Investor as applicable and update the authoritative record of DMI Instruments.

## INVESTOR

A participant authorised as an Investor in DMI can perform the following activities:

- provide all necessary information to DMI for setting-up the Investor as a Customer in DMI, including AML/KYC documentation;
- access DMI to view available investment opportunities;
- send an Expression of Interest to a Fund Manager or General Partner about a Fund to enable Investor access to more detailed information and documentation about the Fund; and
- send an Indication of Interest to the Fund Manager or General Partner after reviewing the Fund information and documentation.

All the below activities are done by an Investor off-platform:

- provide documentation to a Fund Manager or General Partner to support the due diligence process of that Investor. Due diligence is performed by the General Partner when an Investor submits an Expression of Interest;
- negotiate proposed contributions in a Fund during the fund-raising period with a General Partner or Fund Manager.
- finalise and sign primary deals with a General Partner or Fund Manager by way of Subscription Agreement.

## SERVICE PROVIDERS

A participant authorised as a Service Provider, such as a Fund Administrator in DMI can perform all on-platform activities of a Fund Manager or General Partner on behalf of a Fund Manager or General Partner.

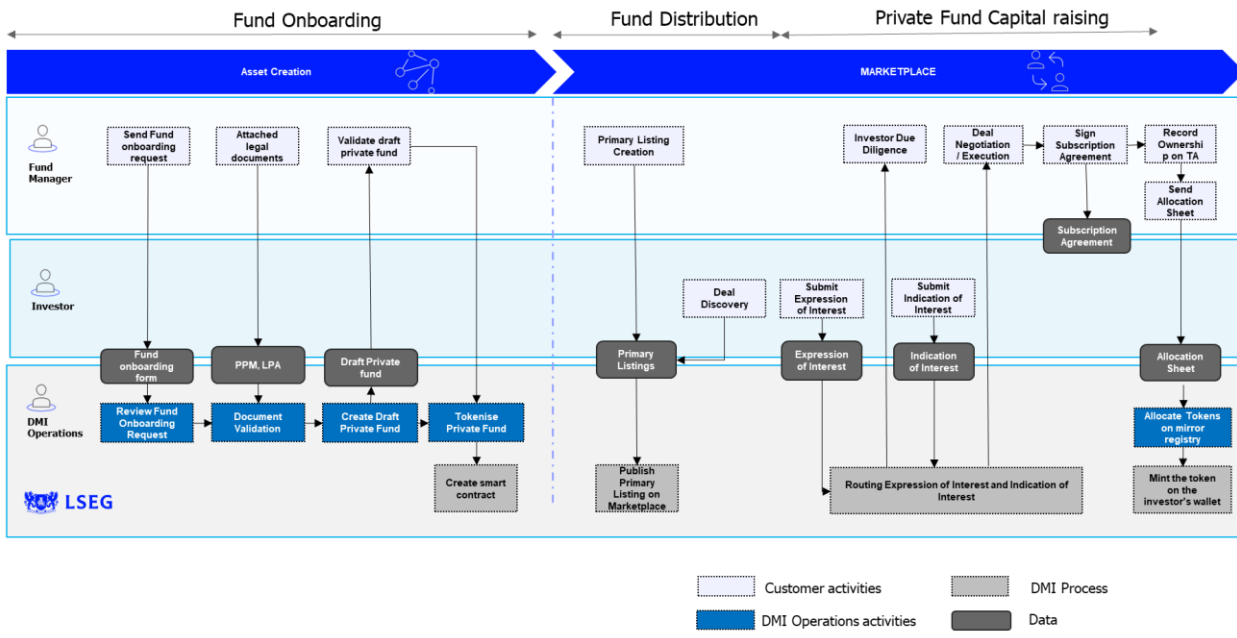
The below activity is done by a Fund Administrator off-platform:

- recording and updating the authoritative record of DMI Instruments.

If a Fund Administrator performs activities on behalf of a Fund Manager or General Partner within DMI, DMI would also need to onboard the applicable Fund Manager or General Partner to ensure compliance with regulatory requirements.

# Daily Operations

## OVERVIEW



# Customer Onboarding

Participation in DMI will be limited to qualified investors. Access to DMI will be restricted to exempted Customers who are not subject to financial promotion restrictions, including investment professionals, certified high-net-worth individuals, companies, unincorporated associations and self-certified sophisticated investors.

If, during the Customer Onboarding Application stage, a Customer expresses a desire to be treated as an Elective Professional Client or Eligible Counterparty in accordance with COBS 3 - Client Categorisation of the FCA Handbook, DMI Compliance will be promptly engaged. DMI Operations and DMI Compliance will collaborate on a case-by-case basis to determine if the Customer qualifies for such designations.

DMI Operations will receive requests from prospective customers seeking access to DMI whether as a Fund Manager or General Partner, Investor or Service Provider by email. A *DMI Customer Onboarding Pack* will then be sent to the prospective Customer with further detail regarding the onboarding process.

The Customer must then return a completed Customer Onboarding Application by email with the following details:

- Legal Name
- Legal Entity Identifier (if any)
- Registration Number
- Registered Office Address
- Country of Incorporation

To facilitate an initial review by DMI Operations, Customers will also need to provide supporting documents, such as the Certificate of Incorporation, Articles of Association and a proof of address.

DMI Operations will liaise with the LSEG KYC Operations team to perform the AML/KYC check.

# Digital Record-Keeping

Digital Record-Keeping, in the context of this service description, refers to the keeping of certain digital records using Tokens recorded to a distributed ledger through the operation by LSEG B3 Ltd. of private keys, i.e. the cryptographic credentials required to access and control digital wallets which LSEG B3 Ltd. Associates with specific Customers. The technology identifies cryptographic keys as corresponding to specific Customers that may be used by DMI to sign instructions to authorise updates to DMI Record (i.e., updates to one or more Tokens) following the conclusion of an off-platform transaction in respect of a DMI Instrument attributable to that buying Investor as applicable. Such cryptographic keys will be recorded to wallets corresponding to specific Customers. Multiple cryptographic keys may be recorded to one wallet.]

# Asset Creation

## INTRODUCTION

The Asset Creation service is available on DMI to a Fund Manager or General Partner as issuers of DMI Instruments.

The Asset Creation service facilitates the construction, configuration, deployment and management of Tokens through the programmatic creation of smart contracts using the DMI distributed ledger. These smart contracts encapsulate the core attributes of a DMI Instrument and, upon activation, “mint” (i.e. create) a Token to record a transaction that has been concluded off-platform with respect to that DMI Instrument.

No Customer has any right to or interest in a Token, which is a mere digital record maintained and operated by LSEG B3 Ltd. A Token does not constitute or represent a DMI Instrument nor confer any legal rights or interests to or in the DMI Instrument. A Token is not transferable.

Tokens will only be minted in respect of a primary on-exchange raise for Funds once that primary on-exchange raise for Funds has been concluded and the DMI Instruments which the Tokens record have themselves been issued off-platform.

Fund Managers and General Partners operate a variety of fund structures and supporting vehicles that they can choose to upload to DMI to create a Fund. These includes primary funds or master funds, parallel funds, feeder funds and any alternative investment vehicles. Depending on whether the fund structure is fully defined, a General Partner might only consider setting up a primary fund at the start in DMI and decide later if any other parallel fund is required depending on the demand from Investors.

## ASSET CREATION PROCESS

Before a Fund Manager or General Partner can admit a Fund onto DMI, the Fund Manager or General Partner must first be admitted as a Customer in DMI.

For a Fund to be eligible to be admitted onto DMI, the General Partner or Fund Manager must provide all required information regarding the Fund via a *New Onboarding Request* form on DMI. The required information includes, but is not limited to, the following Fund attributes:

Fund Attributes	Description	Examples
<b>General Information</b>		
Fund Name	The fund name provides potential investors with quick insights into the fund's focus, strategy, and experience level based on the fund manager's brand, strategy type, and fund series, helping investors identify if the fund aligns with their investment preferences.	Blackstone Real Estate Partners VIII
Investment Type	The investment type refers to how a particular investment opportunity is sourced or structured, commonly categorised as primary or co-investment.	Primary / Co-investment
Asset Classification	In the context of private funds and alternative investments, asset class refers to broad categories of investments that exhibit similar financial characteristics and respond similarly to market conditions. Each asset class has distinct risk-return profiles, investment horizons, and types of underlying assets.	Private Equity, Venture Capital, Real Estate, Infrastructure, Private Debts
Fund Domicile	The legal jurisdiction where the fund is established, registered and regulated. This choice of location determines the fund's legal, regulatory and tax framework and affects aspects like investor protections, compliance requirements, tax obligations and reporting standards.	United Kingdom, Luxembourg, Cayman Islands, Guernsey, Jersey, United States (Delaware)
Fund Status	Refers to the status of the fund in the fundraising period.	Pre-raise, Not-close, Still Raising, Had Close and Still Raising, Had Final Close
ESG Classification	According to the SFDR's classification system, a fund will either be classified as an article 6, 8 or 9 fund – depending on its characteristics and level of sustainability.	Article 6 fund, Article 8 fund, Article 9 fund
<b>Parties</b>		
General Partner	Name and address of the general partner	
Authorised Alternative Investment Fund Manager (AIFM)	Name and address of the AIFM Required for a private fund when the fund qualifies as an Alternative Investment Fund	
Fund Administrator	Name and address of the fund's administrator if the general partner does not perform this role	
Registrar and Transfer Agent	Name and address of the fund's registrar and transfer agent	
Depository	Name and address of the fund's depository	
Legal Counsel	Name and address of the fund's legal counsel	

Auditor	Name and address of the fund's auditor	
<b>Strategies</b>		
Investment Strategies	Refers to a structured approach or methodology that a fund manager uses to select and manage investments within a portfolio to achieve specific goals, such as capital growth, income generation, risk management or diversification.	<p><b>Private Equity:</b> Balanced, Buyout, Growth Equity/Expansion, Restructuring/Turnaround, Diversified, Secondaries, Fund of Funds</p> <p><b>Venture Capital:</b> Early Stage, Early stage: Seed, Early Stage: Start-up, Expansion/Late Stage, Venture (General), Debt</p> <p><b>Real Estate:</b> Core, Core-Plus, Debt, Opportunistic, Value Added, Distressed</p> <p><b>Infrastructure:</b> Core, Core-Plus, Debt, Opportunistic, Value Added, Secondaries Fund, Fund of Funds</p> <p><b>Private Debts:</b> Direct Lending, Distressed Debts, Mezzanine, Special Situations, Fund of Funds</p>
Sector Focus	Refers to the specific industry or industries in which the fund aims to invest.	
Geographic Focus	Refers to the specific geographical regions or countries where the Fund targets its investments or from which it sources its investors.	
Target Return	Refers to the expected rate of return that a private equity fund aims to achieve for its investors over the fund's lifecycle. It represents the financial goal or performance objective set by the fund manager based on the fund's investment strategy and market conditions.	
<b>Fund Vehicle</b>		
Investment Vehicle	Refers to the legal entity or structure through which an investment fund is organised and operated. It acts as the formal means for pooling investors' capital, managing investments and distributing returns.	
Fund Supporting Vehicle Type	Specifies the type of fund vehicle.	Primary Fund, Parallel Fund, Fund Feeder, Umbrella Fund
Fund Jurisdiction	Refers to the jurisdiction of incorporation of the fund vehicle.	e.g. Luxembourg, Cayman Island, Jersey and Guernsey for Offshore, USA Delaware, UK, European and Asian jurisdictions for Onshore
Regulatory Fund Structure	This is the legal framework under which the fund operates, it determines the regulatory oversight, tax treatment, and operational flexibility of the private fund.	e.g. RAIF (Reserved Alternative Investment Fund), SIF (Specialised Investment Fund) in Luxembourg, Limited Partnership (LP) in the US

Fund Legal Structure	Refers to the specific legal form or vehicle chosen for the establishment of a fund. It determines the governance, liability, and operational framework of the fund.	e.g. SICAV (Société d'Investissement à Capital Variable), SCSp (Société en Commandite Spéciale) or SCS (Société en Commandite Simple) in Luxembourg
Currency	Refers to the primary currency in which the fund's assets, commitments, and returns are denominated. This currency serves as the standard for calculating and reporting the NAV, investor commitments, distributions, fees and other financial metrics within the fund.	
Management Fee	Refers to the fixed, periodic fee that fund managers charge investors to cover the operational costs of managing the fund. It is separate from performance-based compensation like carried interest and is typically calculated as a percentage of the fund's total assets under management (AUM).	
Performance Fee (carried interest)	Carried interest is a performance-based incentive that aligns the interests of the fund manager with those of the investors. It represents the fund manager's share of the profits from the fund's investments.	
Hurdle Rate/Preferred Return	Refers to the minimum rate of return that a fund must achieve before the fund manager is entitled to receive carried interest (carry).	
Fund Manager Catch-up rate	Once the hurdle rate has been met, the fund manager catch-up rate is the proportion of subsequent gains that are allocated to the fund manager until the fund manager has caught up to its pre-determined share of overall profits.	
Term	The duration or lifespan of the fund—the period during which the fund is expected to operate, raise capital, invest, manage and eventually exit its investments.	

## INITIAL ASSESSMENT

The Admission of a Fund to DMI will be subject to AML/KYC checks for the Fund entity and the General Partner as a relevant entity within in the structure of the Fund.

## DOCUMENTATION AND APPROVAL

After successful completion of the Initial Assessment, the Fund Manager or General Partner can proceed with the onboarding process by providing the following additional information which will be required for DMI Operations to publish the Fund as an admission on DMI.

Fund Information	Description
Target Fund Size	Refers to the total amount of capital the fund aims to raise from investors.
Minimum Investment	Refers to the minimum contribution in the fund that can be invested by an investor.
Maximum Investment Amount (Hard Cap)	This refers to the maximum amount, in capital, that investors are able to subscribe to in a round of financing. Once the Hard Cap has been reached, investments are completed, and additional money is not accepted.
Fund Manager Commitment	Refers to financial commitment to the vehicle made by the fund manager.

First Closing Date	Refers to the date on which the fund closes on initial capital commitments and can start to draw down on these commitments for investments. This is not the final amount of capital raised as subsequent closes can occur.
Next Closing Dates	Refers to the upcoming date when the fund manager will hold another closing to accept additional capital commitments from investors.
Final Close Date	Refers to the last date by which the fund will accept new capital commitments from investors.

The Fund Manager or General Partner must also provide the following documentation to support the request:

- LPA which outlines the legal relationship between the general partner and investors, including terms, governance structure, fees and the rights and obligations of each party;
- PPM which describes the fund's strategy, investment objectives, risks, and other critical information, serving as the primary disclosure document for prospective investors; and
- Fund's organisational documents which include the Fund's certificate of incorporation, bylaws or any other founding documents that establishes the Fund as a legal entity.

## INTEGRATION IN DMI

Once all necessary information and documentation has been provided by the General Partner or Fund Manager, DMI Operations will create a draft version of the Fund and before activation within DMI, DMI Operations will request that the General Partner or Fund Manager reviews and verifies the completeness of the information provided. Upon the General Partner or Fund Manager's approval, DMI Operations will admit the Fund on DMI and following the conclusion of a primary raise through DMI and the accompanying off-platform issuance of a DMI Instrument as a consequence of that primary raise, mint a Token which records the attributes and ownership of that DMI Instrument.

# Arranging Transactions

## PRIMARY RAISE MANAGEMENT

If a Fund Manager or General Partner intends to raise capital, they can access DMI and use the primary raise function for the Fund that has been added to DMI. The primary raise process requires the Fund Manager or General Partner to provide the following information for an admission to be created on DMI:

- DMI preferences, such as the maximum number of Investors and maximum lot size;
- Fund investment preferences such as geography, industry or stage (e.g. Early stage, Growth stage, Later stage or expansion, Buyout, Seed, Pre-seed);
- Requested admission date; and
- Fund description which will be published on DMI.

At this stage, the Fund Manager or General Partner may also upload a marketing image which DMI will use when publishing the admission on DMI.

For the admission to be completed, the Fund Manager or General Partner can upload supporting documents for prospective Investors, such as any marketing presentation and due diligence questionnaire.

The Fund Manager or General Partner can specify which Investors will have access to the investment opportunity on DMI by setting privacy and access restrictions during the admission creation process. Privacy and access options include:

- an "Allow List" or "Whitelist" of Investors who will have access to specific Fund information on DMI, including investment teasers and sensitive private Fund documents; and
- a "Deny List" or "Blacklist" of Investors who will not see the admission on DMI.

Investors not on either list will have standard access to high-level Fund information and will have to complete the Expression of Interest process before gaining access to full Fund documentation.

Before finalising the admission, the Fund Manager or General Partner can modify the information that will be displayed on DMI, such as the total assets under management (AUM), years of experience and any information about the team.

Once the admission is ready, DMI Operations will be notified to review the materials and provide an indicative admittance date for when the admission will become active.

On the admittance date, DMI Operations will be notified in the morning when DMI has published the Fund. The Fund Manager or General Partner will also be notified when the admission is live, allowing them to prepare Fund advertisements to notify prospective Investors through the available channels. The General Partner or Fund Manager can select from the following options:

- notify Investors (Yes or No);
- display a LSEG-Workspace version of the admission on LSEG Workspace (Yes or No);
- select which Investors to notify (those on the Allow List or all Investors except those on the Deny List); and
- choose the notification channel (email or notification via DMI).

When the General Partner or Fund Manager confirms the Fund advertisement, the notification to Investors will be sent automatically. DMI Operations will also be notified once the advertisement is released.

Investors can view a list of primary opportunities available on DMI and have access to the profile of the Fund Manager. From the Fund Manager profile page, Investors can send an Expression of Interest. If the Investors have been white-listed, the Investors can have access to detailed information about the Fund and express their interest in subscribing to the Fund by submitting an Indication of Interest with an (optional) proposed commitment amount.

In case of the receipt of an Expression of Interest, the General Partner will perform the off-platform due diligence of the Investor before the Investor can have access to the detailed information. When the due diligence is complete and successful, the General Partner will grant access to the information and documentation for the Investor to review and submit an Indication of Interest in case the Investor wants to subscribe in the Fund.

All negotiations between the General Partner and the Investor are performed off-platform. Only when a Subscription Agreement is signed by both parties off-platform and uploaded to DMI, and the issuance or transfer of DMI Instruments has occurred off-platform, can the General Partner request that the Tokens be updated and minted as applicable, to reflect the transaction that has occurred off-platform with respect to the DMI Instruments (see Allocation from the Fund Servicing section).

## Fund Servicing

### ALLOCATION

Allocation refers to the process whereby the wallet address on a Token is updated to reflect the new ownership of a DMI Instrument by the relevant Investor following the conclusion of an off-platform transaction.

When Investors have subscribed in a Fund in DMI, the General Partner or the Fund Administrator will send an *Allocation Sheet* to DMI Operations with the quantity of DMI Instruments that the Investor has subscribed to in the Fund so that the transaction can be reflected in DMI through the minting of Tokens and update to the DMI Record.

DMI Operations will upload the *Allocation Sheet* which will trigger validation checks of both the Investors and the Fund before DMI Operations can progress with the minting of the Token. DMI will retrieve the wallet address linked to the sub-account set up for the Investor if the Investor has been onboarded as a Customer in DMI. In case of errors during the validation checks, DMI will flag the records with errors so that DMI Operations can correct. When all the records are considered as valid, DMI Operations will perform the minting of the DMI Instruments as Tokens containing information as to the owner of the DMI Instrument.

# Appendix 1 – Fund Strategies

DMI will allow the setup of private Funds using one the following strategies depending on the asset classification.

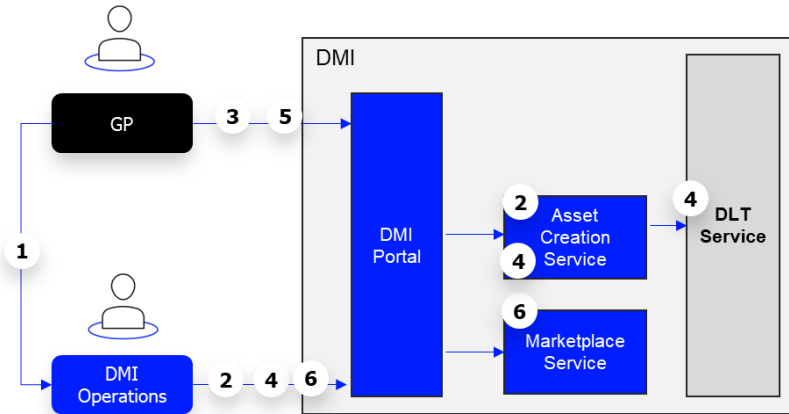
Fund Classifications	Fund Type or investment strategies	Description
<b>Private Equity Funds</b>	Balanced	Invests in companies at all stages of development, from early stage to buyout.
	Buyout or Leveraged Buyout (LBO) Funds	Invests in established companies, often with the intention of improving operations and/or financials. Investment often involves the use of leverage.
	Growth Equity/expansion	Typically takes significant minority positions in companies without the use of leverage. Targets profitable, but still maturing, investee companies with significant scope for growth. Investment horizons are mid-to-long-term, similar to those seen with buyout Funds.
	Restructuring/turnaround	Aims to revitalise companies with poor performance or those that are experiencing trading difficulties.
	Co-investment	
	Fund of Funds	
	Secondaries	Acquires stakes in private equity Funds from existing investors.
<b>Venture Capital Funds</b>	Early stage	Type of venture capital Fund that invests only in the early stage of a company's life. Can be either Seed or Start-up.
	Early stage: seed	Allows a business concept to be developed – perhaps involving the production of a business plan, prototypes, and additional research – prior to bringing a product to market and commencing largescale manufacturing.
	Early stage: start-up	Supports a non-commercial company's product development and marketing.
	Expansion/late stage	Invests in companies towards the end of the venture stage cycle. Provides capital injections for expansion into a position of stable profit streams. Typical with venture capital deals, expansion/late stage Funds take short-to-mid-term, minority positions.
	Venture (General)	Provides capital to new or growing businesses with perceived long-term growth potential.
<b>Real Estate Funds</b>	Real estate core	Investment in low-risk real estate that provides relatively low returns. Investments are typically located in primary markets and in the main property types (office, retail, industrial, and residential). Properties are stable, well maintained, well leased, and often of the class A variety. Investments require little or no leverage (0-30%) or additional capital investment.

	Real estate core plus	Investment in moderate-risk real estate that provides moderate returns. Investments are predominantly core but with an emphasis on a modest value-add approach. Focus is on the main property types, in both primary and secondary markets, in buildings of class A or lower quality that require some form of enhancement (i.e. repositioning and/or re-leasing). Investments typically utilize 30-55% leverage and some additional capital investment.
	Real estate debt	The origination or acquisition of loans secured by real estate. May include mezzanine debt, preferred equity, or senior loans.
	Real estate value added	Investment in moderate-to-high-risk real estate that provides moderate-to-high returns. Investments are typically in lower-quality buildings, in both primary and secondary markets in the main property types. Buildings often require enhancement to upgrade them to class A buildings (i.e. redevelopment/repositioning/releasing). Investments require 50-70% leverage, and additional capital investment, and will acquire an expected internal rate of return (IRR) in the low double digits to the mid-teens.
	Real estate opportunistic	Investment in high-risk real estate that provides high returns. Investments are typically in lower-quality buildings in primary, secondary, or emerging markets across all property types, including niche sectors. Buildings often require significant enhancement to upgrade them to class A buildings (i.e. development and/or extensive redevelopment/repositioning/releasing). Investments typically utilize leverage of 60% or more, and significant capital investment, and will target an IRR in the high teens and upwards.
	Real estate distressed	Investments in distressed assets. Investments can be made in a variety of ways, including providing debt or equity to owners with liquidity problems, or to those that are seeking to recapitalize properties.
<b>Real assets Funds</b>	Infrastructure core	Strategies target essential assets with no operational risk where the asset is already generating returns. These are typically secondary stage assets in developed countries with transparent regulatory and political environments. Key features of the underlying assets include monopoly position, demonstrated demand, and long-term stable cash flows that are forecastable with a low margin for error.
	Infrastructure core plus	Strategies typically target assets that exhibit similar characteristics to core assets but are more affected by and correlated with the economic cycle, thus exposed to demand and market risk. These assets do however have features that act to limit the aforementioned risks, including long-term contracts, long-term government or regulatory price support and/or high barriers to entry for competitors.
	Infrastructure debt	Strategies tend to be less risky than other infrastructure strategies, targeting assets and/or infrastructure developers/owners, that produce

		regulated revenues for essential services or user revenues from assets with a monopoly position, as well as contracted assets. The risk/return exposure of the strategy depends on the type of debt provided, though most infrastructure assets are typically financed by senior debt and have simple capital structures.
	Infrastructure value added	Strategies are deemed moderate-to-high-risk, targeting assets where enhancements are being made, and where the growth in usage of said asset or demand for service provided or produced is the focus. These are typically greenfield or brownfield assets, potentially involving new or unproven technologies that do not have pricing power at the time of the investment but can be developed over time to have this at some time in the future.
	Infrastructure Distressed	Investments in distressed assets. Investments can be made in a variety of ways, including providing debt or equity to owners with liquidity problems, or to those that are seeking to recapitalize properties.
	Infrastructure opportunistic	Strategies have the highest risk/return profile of infrastructure strategies, with less focus on stable cash flows and greater emphasis on capital growth via the value of the underlying assets. Assets will not typically have an existing cash flow.
<b>Private debts Funds</b>	Direct lending	The practice of non-bank lenders extending loans to small and medium-sized businesses in return for debt securities rather than equity.
	Blended/Opportunistic debt	A strategy that seeks attractive risk-adjusted returns throughout the fixed income universe by using a diverse set of investments.
	Distressed debt	Debt of companies that have entered insolvency proceedings / filed for bankruptcy or have a significant chance of doing so in the near future.
	Credit special situations	Classification covering several areas including distressed and mezzanine, where loan decision or grade is defined by something other than underlying company fundamentals.
	Venture debt	A type of debt financing provided to venture capital-backed companies by a specialized financier to fund working capital or capital expenses. Venture debt providers combine their loans with warrants or rights to purchase equity, to compensate for the higher risk of lending.
	Mezzanine	Investments in debt subordinate to the primary debt issuance and senior to equity positions.
<b>Fund of Funds</b>	n/a	
<b>Secondary Funds</b>	n/a	

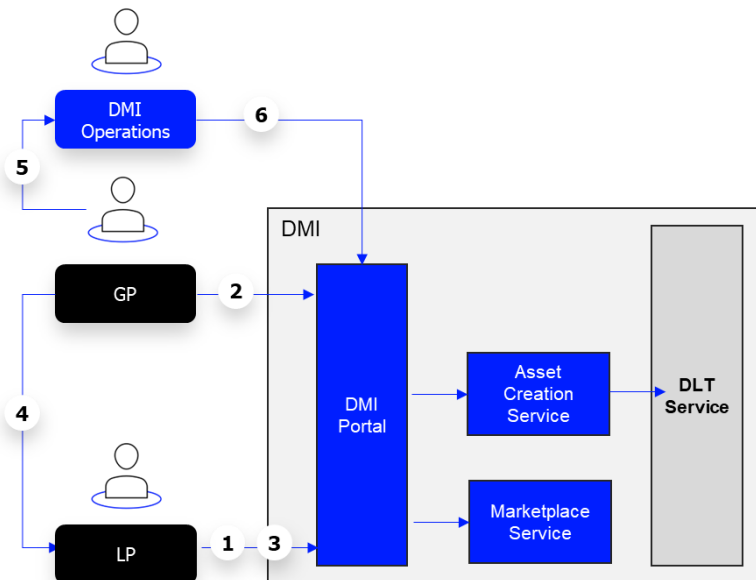
# Appendix 2 – Process Flowcharts

## ASSET ONBOARDING



1. GP will send a request to DMI Operations via email by providing all key information of the private fund in a form including the information related to the primary raise (information are provided at the fund vehicle level)
2. DMI Operations will create the draft version of the private fund via the DMI Portal using the Asset Creation service and notify the GP when the private fund has been created
3. GP will access to the private fund via DMI Portal and provides the legal documentation related to the fund (e.g. PPM, LPA) by uploading them via DMI Portal
4. DMI Operations will review and activate the private fund via DMI Portal using the Asset Creation service with the token created on DLT for the fund vehicle
5. GP will initiate the fund raising by adding the listing information and setting up the privacy and access preferences
6. DMI Operations will activate the primary listing in the marketplace

## PRIMARY RAISE



1. LP will log into DMI Portal and view a list of available opportunities (as per GP preferences) then will submit an expression of interest (EoI) to the GP with his/her details. Access to information is driven by the investor's preferences
2. GP will receive a notification, accept the submission after performing due diligence of the investor
3. LP will receive a notification and will access to the detailed information (if not on the whitelist) on the Marketplace with fund documentation. LP will review the information then submit an Indication of Interest with an indicative investment amount
4. GP will receive a notification and discuss and agree offline with the LP
5. GP will provide an allocation sheet with the number of units to DMI Operations via email when subscription agreement is signed
6. DMI Operations will upload the allocation sheet via the DMI Portal using the Asset Creation service and perform the mint of the token on the LP's wallet using the private keys (pre-requisite is that the LP is setup with a default account and wallet)