

LIVIO PAYNE CAPITAL LLC

CO-INVESTMENT TERM SHEET

LPC Fund I, LP — Co-Investment Program

Version 1.0
April 2026

STRICTLY CONFIDENTIAL — NOT FOR DISTRIBUTION

1. Program Overview

Purpose

The Co-Investment Program permits qualified Limited Partners of LPC Fund I, LP to invest directly alongside the Partnership in selected transactions, on terms that grant the Co-Investor proportional economic exposure to the underlying asset without bearing Management Fee or Carried Interest on co-invested capital.

Strategic Rationale

Alignment

Co-Investors invest at the same per-unit entry economics as the Partnership, reinforcing alignment between the GP and committed LPs.

Capacity

For transactions exceeding the Partnership's single-position cap (20% of deployed capital), Co-Investment permits the Firm to participate in larger opportunities without breaching concentration limits.

Track Record

Selective Co-Investment generates auditable deal-level data points usable in Fund I performance documentation and Fund II marketing.

Eligibility & Priority

Priority	LP Tier	Eligibility
1	Tier 1 — Anchor	All Co-Investments
2	Tier 2 — Core	Co-Investments with deal size > \$2,000,000
3	Tier 3 — Standard	Generally not eligible (first fund); GP discretion to invite

A Co-Investor must be a current LP of the Partnership in good standing, with no pending Capital Call defaults.

2. Asset-Class Scope

Eligible Co-Investment Categories

- Cultural Assets — significant individual works, estate-driven collections, structured cultural transactions
- Real Assets — large land aggregations, distressed positions, structured real estate
- Bolivia Mineral Trades — Bolivia trades exceeding \$1,000,000 in transaction size
- Special Situations — bespoke cross-border or hybrid structures

Bolivia Co-Investment Requirements

Bolivia mineral trades are offered for Co-Investment only when all six stages of the Bolivia trade process (per IPS §7.3) are confirmed in advance:

- Licensed exporter identified and KYC-cleared
- Independent assay completed at origin
- Export license validated
- Vetted freight operator and bonded Miami warehouse confirmed
- Miami refinery PO or escrow confirmation in place
- Third-party escrow agreement executed

A Co-Investor may not invest in a Bolivia trade earlier than Stage 3 (Capital Deployment), ensuring all compliance and exit preconditions have been verified.

Excluded Co-Investments

Co-Investment shall not be offered for transactions where:

- The GP has identified actual or potential conflicts not appropriate for parallel LP economics
- The Partnership's diligence is incomplete or contingent
- The transaction is otherwise excluded under the IPS or applicable law
- Co-Investment would jeopardize the Partnership's tax or regulatory status

3. Economic Terms

None	None	None	None
Management Fee	Carried Interest	Entry Premium	Entry Discount

Co-Investors invest at the same per-unit acquisition cost as the Partnership. The only charges borne by Co-Investors are their pro-rata share of out-of-pocket deal-level expenses.

Deal-Level Expenses (Co-Investor's Pro-Rata Share)

- Independent assay (Bolivia trades)
- Independent appraisal (Cultural / Real Assets)
- Provenance verification costs
- Deal counsel and tax structuring
- Logistics, custody, escrow, and insurance directly attributable to the position
- Government filings or permits attributable to the position

Pro-rata = Co-Investor capital ÷ total deal capital (Partnership + Co-Investor combined).

Distributions

Term	Detail
Distribution Basis	Direct, deal-level — outside the Partnership's distribution waterfall
Timing	Within 30 days of realization, same schedule as Partnership distributions
Preferred Return / Hurdle	Not applicable — no Carried Interest is charged
GP Clawback	Not applicable to Co-Investment capital
Tax Structure	Deal-specific SPV treated as partnership for U.S. federal income tax; issues K-1 annually

4. Allocation Methodology

Governing Principles

Principle	Description
Fund First	The Partnership's capital deployment is determined first; Co-Investment is offered only after the Partnership's pro-rata share is sized.
No Front-Running	Co-Investors do not receive earlier or preferential access to economic terms relative to the Partnership.
Pro-Rata Allocation	When demand exceeds the Co-Investment allocation, the GP allocates pro rata to each eligible Co-Investor's Capital Commitment within the eligible tier.
No Cherry-Picking	The GP shall not selectively offer Co-Investment to favor specific LPs inconsistently with the Allocation Policy.
CCO Oversight	All Co-Investment allocations are reviewed by the CCO before execution.

Allocation Sequence

For each Co-Investment opportunity:

1. IC determines the Partnership's allocation per the IPS

2. Residual capacity is offered to Tier 1 Anchors first
3. If unfilled, residual capacity is offered to Tier 2 Core LPs (deal size >\$2M only)
4. If still unfilled, residual may be offered to Tier 3 or strategic non-LP co-investors at GP discretion (subject to conflict provisions)

5. Process & Timing

Co-Investment Notice

For each opportunity, the GP delivers a Co-Investment Notice containing:

- Asset description and aggregate transaction size
- Co-Investment capacity and per-unit acquisition cost
- Expected hold period and exit mechanism
- Three-scenario return model (Bear / Base / Bull)
- Risk factors and mitigants
- Subscription deadline

Response Windows

Asset Class	Response Window
Cultural Assets & Real Assets	5 – 10 business days (specified in each Notice)
Bolivia Mineral Trades	3 – 5 business days (compressed cycle)

Required Documentation

- Co-Investment Subscription Agreement (deal-specific)
- Co-Investment Vehicle LP Agreement or LLC Operating Agreement (SPV-specific)
- Updated KYC / Investor Questionnaire
- Tax forms (W-9, W-8 series as applicable)
- Such other agreements as deal counsel determines necessary

For Bolivia trades, Co-Investor capital is funded into the same third-party escrow as Partnership capital, with parallel staged-release conditions.

6. Governance & Information Rights

Decision Authority

The Investment Committee retains exclusive authority over all investment decisions, including entry/exit, sizing, timing, and counterparty selection. Co-Investors do not participate in investment decision-making.

Information Rights

Report	Frequency
Quarterly position update (deal-level)	Quarterly
Annual audited SPV financial statements	Annually
Deal-level notices (closings, exits, material events)	Same day
K-1 tax reporting	By March 31 (or extension notice)

Co-Investor Consent Rights

Co-Investors generally have no consent rights over the underlying investment, except:

- Material modifications to SPV economic terms (e.g., dilutive issuances) — supermajority Co-Investor consent required
- Sale of underlying asset to an Affiliate of the GP — Co-Investor majority consent required
- Cross-collateralization with other Partnership positions — Co-Investor majority consent required

Enhanced Confidentiality

Co-Investors are bound by enhanced confidentiality with respect to:

- The identity of underlying counterparties (sellers, exporters, refineries, custodians)
- Deal-specific economics
- The Firm's Bolivia operational infrastructure
- The identity and Capital Commitments of other Co-Investors

Breach of confidentiality is grounds for forfeiture of future Co-Investment access.

7. Exit & Distributions

- Exit timing and methodology are determined solely by the Investment Committee
- Co-Investors do not have independent exit rights
- Upon realization, distributions are made to the SPV then to the Partnership and Co-Investors pro rata to their respective capital, less pro-rata deal expenses and any contingent liability reserves
- In-kind distributions: Co-Investors may elect a cash equivalent in lieu of in-kind distribution where commercially feasible

8. Bolivia-Specific Provisions

Compressed Timeline

Co-Investors in Bolivia trades acknowledge the compressed deal cycle (typically 3–9 months from entry to exit) and the corresponding accelerated subscription, funding, custody, and distribution timing.

Risk Allocation

Event	Treatment
Cargo loss, theft, or in-transit incident	Insurance proceeds applied first to recover principal; residual losses allocated pro rata between Partnership and Co-Investors. GP provides written incident report within 7 business days.
Assay variance >2% (origin vs. Miami)	Escrow holdback triggered; Co-Investors share in holdback resolution and any final write-down of expected proceeds, pro rata.
Bolivian regulatory event / trade suspension post-deployment	GP pursues all commercially reasonable recovery avenues; Co-Investors notified within 24 hours; recovery allocated pro rata less direct recovery costs.

9. Co-Investor Representations

By executing a Co-Investment Subscription Agreement, the Co-Investor represents:

Representation	Standard
Accreditation	"Accredited investor" under Regulation D Rule 501
Qualified Purchaser	"Qualified purchaser" under §2(a)(51) of the Investment Company Act, if relied upon by the SPV
Investment Intent	Acquiring interest for investment, not distribution
Financial Capacity	Able to bear the economic risk of total loss
Sophistication	Financial sophistication to evaluate the merits and risks of the Co-Investment
AML/KYC	Provided complete and accurate KYC information; not a Sanctioned Person

10. Conflicts & Program Terms

Conflicts Disclosure

- Co-Investment economics differ from Partnership economics — Co-Investors receive deal-level returns without paying Management Fee or Carried Interest; Partnership LPs share in the diversified portfolio while bearing those fees
- The GP discloses in each Co-Investment Notice and quarterly LP letter: existence and identity of Co-Investors (anonymized at request), aggregate Co-Investment capital alongside the position, and the GP's economic position in the SPV
- Co-Investors do not receive Partnership Investment opportunities or non-public Partnership information by reason of their Co-Investor status

Program Modification

The Co-Investment Program may be modified or suspended by the GP upon 30 days' notice to LPs. Modifications do not affect Co-Investments already executed. Termination of the Program does not terminate any Co-Investor's rights under existing Co-Investment Agreements.

Acknowledgment

This Co-Investment Term Sheet is incorporated by reference into each Co-Investment Agreement and Subscription Agreement executed in connection with the Program. Capitalized terms have the meanings set forth in the LPA of LPC Fund I, LP.

Role	Name	Signature	Date
Founding Principal / GP	_____	_____	_____
Co-Investor	_____	_____	_____