

MIFID II PRODUCT GOVERNANCE

Marlborough Defensive

Product

The product is an ended Irish collective asset management vehicle which is constituted as an umbrella fund with segregated liability between Funds and with variable capital. The Fund is actively managed.

The investment objective of the Fund is to generate capital growth over the long term (5 years +) by gaining exposure to a low to medium risk defensive mix of assets.

The Fund will seek to invest at least 80% in a variety of collective investment schemes, exchange traded Funds and investment trusts which are UCITS or alternative investment Funds (AIFs) that satisfy the requirements of the Central Bank (collectively referred to as "Collective Investment Vehicles"). The Fund will aim to invest in Collective Investment Vehicles which invest in UK and international equities, commodities, property, money market instruments and other transferable securities, providing an overall defensive investment mix of assets.

Through the investment in Collective Investment Vehicles, the Fund will seek to maintain an equity exposure between 0% and 20% and limit its exposure to commodities and property to below 17.5% which is reflective of its defensive approach. The Fund will further seek to limit its exposure to property linked Collective Investment Vehicles to 2.5% per holding. The Fund will seek to invest in Collective Investment Vehicles which when combined exhibit above average returns with below average volatility. Therefore, while the underlying portfolio is not restricted geographically, it may have a bias towards developed markets, and in particular the United Kingdom. The Fund may invest more than 20% of its Net Asset Value in emerging markets.

The domicile of such Collective Investment Vehicles will be in the EEA (and the UK if no longer an EEA member) where such Collective Investment Vehicles meet the requirements of the Regulations. Investment in the above mentioned AIFs will not exceed 20% of the Net Asset Value of the Fund.

The Fund may buy other Collective Investment Vehicles which are managed by the same Manager or Investment Manager.

Target Market

The type of client to whom the product is targeted

As a non-complex fund it is targeted at retail investors, professional investors and eligible counterparties.

Clients' knowledge and experience

This fund is suitable for the basic investor. Investment experience is not a necessity however a basic understanding of the kind of underlying investments of the scheme is important. It has no complex features or guarantees in place that would require more than a basic understanding of investment markets or instruments.

Investors should read the Key Investor Information document which is intended to help investors understand the nature and risk of investing in this fund. Investors are also advised to read the fund's prospectus which contains details on the objectives, investment strategies, risk, distribution policy, fees, expenses and Fund Management.

Clients' financial situation, with a focus on the ability to bear losses

Clients should be prepared to commit to their investment for the long term or risk losing part of their investment in the short to medium term. The minimum investment horizon should be greater than five years.

Investors will have no risk of loss greater than their invested amount. As a fund with exposure to financial instruments investors should be aware that the potential exists for a total loss of assets and should therefore be able to bear such losses. However, the fund will be managed in such a way to reduce this risk considerably.

Clients' risk tolerance and compatibility of the risk/reward profile of the product with the target market



This Fund has been measured as 3 because its investments have experienced low to moderate volatility in the past. The Fund's volatility is affected by various risks.

The Fund is therefore compatible with clients who have a lower than medium risk tolerance.

Perceptions of risk will vary from person to person. The risk tolerance identified here refers to a fund which invests in such a way as to maintain a lower than moderate volatility. It will not take significant positions in single markets or asset classes or invest in highly speculative assets.

Clients' objectives and needs

The client's objectives should be in line with the Fund's investment objective, which is to generate capital growth over the longer term (5 years +) by gaining exposure to a defensive mix of asset classes.

Clients who should not invest (the 'negative-target market')

The Fund may not be suitable for certain investors, including but not limited to those whose objectives and needs are not consistent with the nature of the Fund, those who are unable to commit capital for a sufficient term or do not have sufficient resources to bear any loss which may result from an investment in the Fund. The Fund is also not committed to meeting any specific ethical, social, religious or environmental restrictions which some investors may be seeking.

Distribution channel

The Fund will be distributed primarily via fund platforms, wealth managers, discretionary fund managers and financial institutions.