

MIFID II PRODUCT GOVERNANCE

IFSL Rockhold Fixed Interest Fund

Product

The product is a non-complex, FCA authorised non-UCITs fund. The Fund is actively managed.

The aim of the Fund is to increase in value of an investment over a minimum of 5 years. The Fund will do this through a combination of income received by the Fund, which is money paid out of investments, such as interest from bonds, and capital growth, which is profit on investments held.

The Fund is actively managed which means the Investment Manager decides which investments to buy or sell and when, and will invest at least 80% in other collective investment schemes, investment trusts and exchange traded funds (collectively “Investment Funds”). This could include other Investment Funds managed by the Authorised Corporate Director or the Investment Manager.

Through these underlying Investment Funds the Fund will have exposure to at least 80% in global bonds, which are loans typically issued by companies, governments and other institutions, may be either investment grade, where the issuer has a high and reliable capacity to repay the debt, or sub-investment grade, which can be more vulnerable to changing market conditions but typically pay a higher rate of interest.

The Investment Manager considers economic and market conditions when choosing investment focuses, alongside individual analysis of the underlying Investment Funds. The aim is to identify fund managers who the Investment Manager believes will add value to the Fund in the future.

The Fund may also have exposure up to 20% in money market funds, which are a type of fund that invests in high-quality, short-term debt instruments, cash, and cash equivalents.

In addition, the underlying Investment Funds may also hold other permitted investments such as shares in companies and commodities, such as gold, although this is expected to be minimal.

The Fund may hold up to 20% in cash to enable the ready settlement of liabilities, for the efficient management of the portfolio or in pursuit of the Fund’s investment objective. Whilst the Fund itself will not use derivatives, the underlying Investment Funds purchased may have the ability to use derivatives to varying degrees.

Target Mark

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 individual financial instruments 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 assets.

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.