

# KEY INVESTOR INFORMATION

This document provides you with key investor information about the Class 'A' Shares of the Stable Return Fund (the "Sub-Fund") a sub-fund of Solutions Capital Management SICAV p.l.c. (the "Company"). It is not marketing material. The information is required by law to help you to understand the nature and risks of investing in this Sub-Fund. You are advised to read it so you can make an informed decision about whether to invest.

## Class 'A' Shares ISIN Number: MT7000020970 Stable Return Fund, a sub-fund of Solutions Capital Management SICAV p.l.c.

This Sub-Fund is managed by AQA Capital Ltd. (the "Investment Manager") and Solutions Capital Management SIM S.P.A. as Sub-Investment Manager

### Objectives and Investment Policy

The **Investment Objective** of the Sub-Fund is to produce stable and consistent returns in the medium to the long term.

**The Investment Policy:** The Sub-Fund shall invest predominantly in debt securities which may be listed on an Approved Regulated Market and/ or traded over-the-counter. The Sub-Fund shall hold a diversified portfolio of government, corporate and supranational bonds over a broad base of issuers and industries, or in bonds determined to be of comparable quality. The Sub-Fund may also limitedly invest in contingent convertible bonds and unrated bonds. The bond portfolio is not expected to have any particular duration.

The Investment Manager considers the following factors in evaluating debt securities for purchase by the Sub-Fund, including:

- Yield to maturity, yield to call (where appropriate), current yield and the price of the security relative to other securities of comparable quality and maturity;
- The difference, or "spread", between the yield of the security and the yield of a comparable government security;
- The size of the issuer, the issuer's sensitivity to economic conditions and trends and the issuer's operating history; and
- The issuer's financial resources and financial condition, including leverage and cash flow to cover interest expense and principal repayment.

The Sub-Fund is not expected to have any bias towards any specific

industrial, geographic or other market sector.

The Sub-Fund may, hedge interest rate, currency and credit risk with a view to stabilize the expected returns of its portfolio and to reduce overall risks through the use of (i) listed and OTC FDIs including bond futures, currency forwards as well as interest rate and credit default swaps, and (ii) ETFs. The Sub-Fund will bear the associated costs and fees in connection with the use of such instruments. These fees will generally be payable to counterparties in OTC FDIs. Such counterparties are not expected to be related to the Company and/ or the Investment Manager. The Company may also enter into foreign exchange linked OTC FDIs with the Custodian.

**Income:** The Class A Shares (the "Class") is an accumulator class so the income from investments held for the Class will not be paid out as dividends. Instead, income will be re-invested and reflected in the value of the Class.

**Buying and Selling Shares:** You may buy and sell the Class every business day (i.e. any day that is not a Saturday or a Sunday and not a public or bank holiday in Malta).

**Currency:** The Class in the Sub-Fund is denominated in EUR.

**Recommendation:** This Sub-Fund may not be appropriate for investors who plan to withdraw money within 1 year.

### Risk and Reward Profile

Lower risk Typically lower rewards							Higher risk Typically higher rewards	
1	2	3	4	5	6	7		

The above risk and reward indicator rates this Sub-Fund as category 3 meaning that it offers a moderate risk of making a loss but also a moderate chance of making substantial gains. Even the lowest category on the indicator does not mean risk free. The Sub-Fund's rating reflects the nature of its investments and the corresponding risks to which it is exposed that is based on simulated data and therefore not a reliable indication of the future risk profile of the Sub-Fund. The risk and reward profile of the Sub-Fund is not guaranteed to remain unchanged and may shift over time. These risk factors, which include below, may affect the value of the Sub-Fund's investments / expose the Sub-Fund to losses:

**Exchange Rate Risk** – The Sub-Fund may invest in assets denominated in currencies other than EUR, thereby exposing the Sub-Fund to fluctuations in exchange rates.

**Use of FDIs** – It is anticipated that the Sub-Fund will hold FDIs for the purpose of hedging interest rate, currency and credit risk. FDIs also involve risks which are different from, and in certain cases, greater than, the risk presented by more traditional investments.

**Credit Risk** – money market instruments, bonds or other debt instruments held for a fund involve credit risk represented by the possibility of default by the issuer. Debt instruments which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated and/or unsubordinated securities.

**Operational Risk** – If a custodian or sub-custodian appointed by or on behalf of the Sub-Fund were to become insolvent, or act negligently or fraudulently this could lead to the substantial loss of securities held in custody for the Sub-Fund.

## Charges

The charges you pay are used to pay the costs of running the Sub-Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
<b>Entry Charge</b>	Up to 3%
This is the maximum that might be taken out of your money before it is invested.	
<b>Exit Charge</b>	Up to 3%
This is the maximum that might be taken out of your money before the proceeds of your investments are paid out.	
<i>Please refer to the Investment Manager and/or Administrator for further details in relation to entry and exit charges</i>	
Charges taken from the Sub-Fund over each year	
<b>Ongoing charge[*]</b>	1.62%
Charges taken from the Sub-Fund under specific conditions	
<b>Performance fee</b>	For each calculation period, a performance fee shall be payable in the amount of 20% on the appreciation of the Sub-Fund's GAV over the previous HWM. The Performance Fee shall be payable annually in arrears.

The **ongoing charges** figure is an estimate of the expenses since the Class A Shares have no past performance. This figure may vary from year to year. It excludes:

- Performance fees
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Sub-Fund when buying or selling units in another collective investment undertaking.

**For more detailed information about charges and how these are calculated, please see the Prospectus and the Sub-Fund's Offering Supplement. The section entitled "Practical Information" below explains how you may obtain a free copy of the Prospectus, the Sub-Fund's Offering Supplement and other useful information.**

[\*Estimated]

## Past Performance

There is unfortunately insufficient data to provide a useful indication of past performance.

## Practical Information

- The Sub-Fund's depository is Bank of Valletta p.l.c. This Key Investor Information document is specific to the Class A Shares in the Sub-Fund. However, the Prospectus, annual and half-yearly financial reports are prepared for the Company. The Prospectus is supplemented by an Offering Supplement specific to each sub-fund, including the Sub-Fund. The Class A Shares are available to retail investors.
- The Class A Shares in the Sub-Fund may be acquired on any Subscription Day, being every Business Day. Similarly, the Class A Shares in the Sub-Fund may be redeemed on any Redemption Day, being every Business Day.
- The Sub-Fund's assets and liabilities as well as its legal liability are segregated from other sub-funds of the Company.
- Further information about the Sub-Fund can be obtained from the Prospectus and related offering supplement as well as the latest annual and half-yearly financial reports (once available). These documents are available free of charge in English. They can be provided along with other information, such as the NAV per shares, by Calamatta Cuschieri Fund Services Limited.
- The Sub-Fund is subject to Maltese tax laws. Depending on your country of residence, this might have an impact on how you are taxed on your investment. For further details, please speak to an adviser.
- AQA Capital Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the Sub-Fund.
- Investors may switch investment to any other sub-fund of the Company. The Directors reserve the right to charge a Switching Fee.
- Details of the remuneration policy of AQA Capital Ltd. will be available on [www.aqa-capital.com](http://www.aqa-capital.com). A hard copy of the remuneration policy is available upon request and free of charge from the registered office of AQA Capital Ltd.

<b>Authorisation:</b>	The Sub-Fund is authorised in Malta and regulated by the Malta Financial Services Authority (the "MFSA"). AQA Capital Ltd. is authorised in Malta and regulated by the MFSA. Solutions Capital Management SIM S.P.A. is regulated by CONSOB.
<b>Date of KIID:</b>	This Key Investor Information document is accurate as at 27 October, 2017.