

# Key Information Document

## PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

## PRODUCT

### Redhedge Relative Value UCITS Fund – A Shares

Redhedge Relative Value UCITS Fund is authorised in Ireland and regulated by the Central Bank of Ireland (CBI).

The PRIIPs Manufacturer and the Management Company is Waystone Management Company (IE) Limited which is authorised in Ireland and supervised by the Central Bank of Ireland (CBI). For more information on this product, please refer to <http://www.redhedge.com/> or call +353 (0)16192300

This key information document is accurate as of 29<sup>th</sup> May 2024.

**You are about to purchase a product that is not simple and may be difficult to understand.**

## WHAT IS THIS PRODUCT?

### TYPE

The Fund is an open-ended sub-fund of Redhedge UCITS ICAV (the "ICAV"), an umbrella type Irish collective asset management vehicle (ICAV) pursuant to Part 2 of the Irish Collective Asset-management Vehicles Act, 2015, with segregated liability between sub-funds authorised and regulated by the Central Bank of Ireland as an Undertaking for Collective Investment in Transferrable Securities (UCITS), with registration number C445057.

### OBJECTIVES

**Investment Objective:** The investment objective of the Fund is to achieve medium to long-term (5 to 7 years) capital growth and absolute returns by adopting a multi-strategy approach to investing.

**Investment Policy:** The Fund will seek to maximise total return, comprised of income and capital appreciation, while limiting risk and volatility through diversification of investments and sub-strategies of the investment strategy, regardless of the directional movement in equity, interest rate or currency markets. In seeking to achieve its investment objective, the Fund will invest and trade in a portfolio of listed and unlisted bonds (which may be fixed or floating) or other fixed income securities, including, without limitation, commercial paper and "higher yielding" (including non-investment grade) (and, therefore, higher risk) debt securities especially banks subordinated bond and corporate hybrids. The Fund may also invest in collective investment schemes, including exchange traded funds in order to gain indirect exposure to fixed income instruments. Such securities will be mainly focused on corporate bonds. The Fund shall also invest in financial derivative instruments in order to gain exposure to the securities listed above.

**Benchmark uses:** the Fund does not track any benchmark.

**Redemption and Dealing:** Payment in respect of subscriptions must be received in cleared funds by the Administrator prior to the Subscription Settlement Cut-Off (14.00 Irish time two (2) Business Days after the relevant Subscription Day), Requests for redemption received prior to the Redemption Deadline (14.00 (Irish time) one (1) Business Day preceding the relevant Redemption Day) for any Redemption Day will be processed on that Redemption Day. The ICAV will pay redemption proceeds normally three Business Days after the relevant Redemption Day provided that the period must not exceed 10 calendar days from submission of a Redemption Request to payment of settlement proceeds. Subscription Day / Redemption Day: each Business Day in Ireland.

**Distribution Policy:** It is not the current intention of the Directors that dividends be declared for any classes in the Fund and income of the Fund will be accumulated.

**Launch Date:** 26/02/2021

**Fund Currency:** EUR, USD, CHF

**Switching:** Directors do not have the power to compulsorily switch Shares of one Class into Shares of another Class under any circumstances. Switching between classes is possible if target share class conditions are met. If a Shareholder at any time holds less than the Minimum Holding amount for each Share Class as outlined in the table above (or its equivalent in other currencies), the Directors, in consultation with the Manager, may at their discretion compulsorily redeem such Shareholder's entire holding of Shares in the relevant Share Class. Similarly, should a Shareholder request a partial redemption of Shares such that its overall holding of Shares would fall below the Minimum Holding for the relevant Share Class, the Directors, in consultation with the Manager, may at their discretion consider such Redemption Request to be a request for a full redemption of the Shareholder's entire holding of Shares in such Share Class.

**Asset Segregation:** segregated liability between sub-funds

***INTENDED RETAIL INVESTOR***

Investors must initially invest at least EUR 100,000 for Class A EUR (IE00BKPKGX98); USD 100,000 for Class A USD (IE00BM98XQ58); CHF 100,000 for Class A CHF (IE00BM98XR65).

Investors must:

- (a) receive an appraisal from an EU credit institution, a MiFID firm or a UCITS management company that they have the appropriate expertise, experience and knowledge to adequately understand the investment in the Fund; or
- (b) certify that they are an informed investor by providing the following:
  - (i) confirmation (in writing) that the investor has such knowledge of and experience in financial and business matters as would enable the investor to properly evaluate the merits and risks of the prospective investment; or
  - (ii) confirmation (in writing) that the investor's business involves, whether for its own account or the account of others, the management, acquisition or disposal of property of the same kind as the property of the Fund.

Investors must certify in writing that they meet the minimum criteria listed above and are aware of the risks involved in the proposed investment and of the fact that inherent in such investments is the potential to lose all of the sum invested.

This product is intended for investors who plan to stay invested for at least 5 years and are prepared to take on a low level of risk of loss to their original capital in order to get a higher potential return. It is designed to form part of a portfolio of investments.

***TERM***

The Fund is open-ended and has no defined term. Subject to the liquidation, dissolution and termination rights of the board of the Fund as set forth in the Fund prospectus, the Fund cannot be automatically terminated. The PRIIPs Manufacturer, Waystone Management Company (IE) Limited, is not entitled to terminate the product unilaterally.

***PRACTICAL INFORMATION***

**Depository:** European Depository Bank (EDB)

**Further information:** A copy of the Prospectus and latest annual and semi-annual financial report in English and the latest Net Asset Value per Share and Bid and Offer Prices are available free of charge upon request from <https://funds.waystone.com/public>.

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

### SUMMARY RISK INDICATOR ("SRI")



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level and poor market conditions are very unlikely to impact the capacity of the Fund to pay you.

**Be aware of currency risk.** If the PRIIP is denominated in a currency other than your local currency and the return is expressed in your local currency, the return you will receive may change depending on the exchange rate between the two currencies.

The prices of financial instruments in which the Fund may invest can be highly volatile. The Fund is subject to the risk of failure of any of the exchanges on which its positions trade or of its clearinghouses.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If the Fund is not able to pay you what is owed, you could lose your entire investment.

Beside the risks included in the risk indicator, other risks may affect the fund performance. Please refer to the fund prospectus, available free of charge at <https://funds.waystone.com/public>.

## PERFORMANCE SCENARIOS

**Example Investment EUR 100,000**

**Recommended holding period: 5 years**

Scenarios		1 year	5 years
Stress scenario	What you might get back after costs	€94,690	€88,490
	Average return each year	-5.31%	-2.42%
Unfavourable scenario	What you might get back after costs	€98,270	€98,270
	Average return each year	-1.73%	-0.35%
Moderate scenario	What you might get back after costs	€100,800	€104,271
	Average return each year	0.80%	0.84%
Favourable scenario	What you might get back after costs	€102,290	€108,634
	Average return each year	2.29%	1.67%

**There is no minimum guaranteed return. You could lose some or all of your investment.**

This table shows the money you could get back over the next 5 years, under different scenarios, assuming you invest €100,000 per year. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

**What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.**

**The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product and a suitable benchmark over the last 10 years. Markets could develop very differently in the future.**

This product can be cashed in daily. It is difficult to estimate how much you would get back if you cash in before the recommended holding period.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of Fund over the last 2 years. The stress scenario shows what you might get back in extreme market circumstances.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted. The Fund is not guaranteed and investment results may vary substantially over time.

The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may affect how much you get back.

Historical performance data is available at the following link: <https://redhedge.com/regulatory-disclosures/>

## WHAT HAPPENS IF WAYSTONE MANAGEMENT COMPANY (IE) LIMITED IS UNABLE TO PAY OUT?

The Management Company of the Fund has no obligation to pay out since the Fund design does not contemplate any such payment being made. You are not covered by any national compensation scheme. To protect you, the assets are held with a separate company, a depository. Should the Fund default, the depository would liquidate the investments and distribute the proceeds to the investors. In the worst case, however, you could lose your entire investment.

## WHAT ARE THE COSTS?

Annual cost impact:

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on the example investment amount and different possible investment periods. We have assumed, in the first year you would get back the amount that you invested (0 % annual return). For the other holding period, we have assumed the fund performs as shown in the moderate scenario.

The amounts shown here are the cumulative costs of the product itself, for two different holding periods. They include potential early exit penalties. The figures assume you invest EUR 100,000 and a performance of the product that is consistent with each holding period shown. The figures are estimates and may change in the future.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

**Investment: EUR 100,000**

Scenarios	If you cash in after 1 year	If you cash in after 5 years
<b>Total costs</b>	<b>€1,560</b>	<b>€7,850</b>
<b>Annual cost impact</b>	<b>1.56%</b>	<b>1.57%</b>

(\* This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return in a moderate scenario is projected to be 12.64% before costs and 4.27% after costs.

#### **Composition of Costs**

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period; and
- the meaning of the different cost categories.
- The cost as percentage of the invested capital as well as the EUR amount ("Monetary impact"), based on the assumption of an EUR 100,000 and a performance in line with the "moderate" scenario. The Monetary impact is the Annual Cost Impact if you cash in after 5 years.

Type of cost	Specific cost	Cost (%)	EUR	Cost Description
<b>One-off costs</b>	<b>Entry costs</b>	0%	0.00	The impact of the costs you pay when entering your investment (this is the most you will pay, and you could pay less).
	<b>Exit costs</b>	0%	0.00	The impact of the costs of exiting your investment when it matures.
<b>Ongoing costs</b>	<b>Portfolio transaction costs</b>	0.06%	60.00	The impact of the costs of us buying and selling underlying investments for the product.
	<b>Management fee and other ongoing costs</b>	1.30%	1,300.00	The impact of the costs that we take each year for managing your investments.
<b>Incidental costs</b>	<b>Performance fees</b>	20%	1,050.00	The impact of the performance fee over the entire holding period: The actual amount will vary depending on how well your investment performs. The aggregated cost estimation includes the average over the last 5 years.

#### **HOW LONG SHOULD I HOLD IT AND CAN I TAKE MONEY OUT EARLY?**

This product has no required minimum holding period but is designed for long term investment; you should be prepared to stay invested for at least 5 years.

There are no penalization or special conditions applied for redemptions before the recommended minimum holding period.

A Redemption Charge of up to 3% of the redemption amount in relation to the redemption of Shares in any Classes of the Fund may be levied at the discretion of the Directors in case of redemptions exceeding 10% of the outstanding Shares. The charge will be in favour of the Fund to cover potential losses and trading costs incurred in liquidating the assets to pay the redemption proceeds.

#### **HOW CAN I COMPLAIN?**

You can send your complaint to the Management Company at 35 Shelbourne Rd, Ballsbridge, IE - Dublin, D04 A4E0, Ireland or by e-mail to [complianceeurope@waystone.com](mailto:complianceeurope@waystone.com).

If you have a complaint about the person that advised you about this product, or who sold it to you, they will tell you where to complain.

#### **OTHER RELEVANT INFORMATION**

**Cost, performance and risk:** The cost, performance and risk calculations included in this key information document follow the methodology prescribed by EU rules.

**Performance scenarios:** You can find previous performance scenarios updated monthly at <https://redhedge.com/regulatory-disclosures/>.

**Past performance:** You can download the past performance from our website at <https://redhedge.com/regulatory-disclosures/>.

**Additional information:** The details of the up-to-date remuneration policy of the Management Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, are available on [www.waystone.com/waystone-policies/](http://www.waystone.com/waystone-policies/), a paper copy will be made available free of charge upon request.