

Key Information Document (“KID”)

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

RHFS Growth & Income Funds Limited

The Income Fund (GBP) ISIN: GB0007553117

Issued by R&H Fund Services (Jersey) Limited - (www.rhj.je/funds). Call +44 (0)1534 825 200 for more information. Authorised and regulated by the Jersey Financial Services Commission.

This document is accurate as at 31/10/2019

What is this product?

Type

RHFS Growth & Income Funds Limited (“the Company”) is an open-ended unclassified umbrella fund. It is a limited liability public company incorporated in Jersey with the registered number 66622.

The structure allows it to issue and redeem different classes of Participating Shares designated by reference to separate investment portfolios (‘sub-funds’) at prices based on the underlying net asset value of the respective sub-fund.

The Income Fund (GBP) is a sub-fund of the Company. On 5 February 2003 the Shares were admitted to listing on The International Stock Exchange Group Limited.

Objectives

The Income Fund (GBP) aims to maximise total return (the combination of income and growth of capital) by investing mainly in high yielding corporate bonds from around the world, denominated predominantly in sterling.

Bonds are like loans that can pay fixed or variable rates of interest.

Although they may be of any quality, the bonds will typically have lower ratings, as defined by international agencies that provide such ratings; these bonds may pay higher rates of interest than bonds with higher or investment grade ratings and may be considered to be at a higher risk of default than higher or investment grade ratings.

A small part of the The Income Fund (GBP) will usually consist of cash but in extreme circumstances we may need to increase the amount of cash held.

The value of your investment in The Income Fund (GBP) is directly related to the value of the bonds and other assets the sub-fund invests in and the income they generate.

Details on how the assets are valued are set out in the Prospectus.

Intended retail investor

The Income Fund (GBP) is designed for informed investors who understand the sub-fund’s risks and who are prepared to hold their investment for at least five years in order to achieve the objective of income and capital growth.

This investment is particularly sensitive to the value of high yielding corporate bonds. Most investors will hold this investment as part of a wider investment strategy which consists of a diverse variety of assets.

Term

The Income Fund (GBP) does not have a fixed lifespan but the Directors may cause the Company to compulsorily redeem any or all of the Participating Shares held by any Shareholder at the appropriate redemption price at any time and for any reason.

As a general matter of Jersey company law the shareholders of the Company are entitled, by way of special resolution, to wind-up the Company at any time.

What are the risks and what could I get in return?

Risk indicator

1	2	3	4	5	6	7
← Lower risk			Higher risk →			

The risk indicator assumes you keep the product for 5 years. You may not be able to cash in early. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.

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 market or because we are not able to pay you.

We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are very likely to impact the sub-fund's performance.

If values in the high yielding corporate bond market go down, The Income Fund (GBP)'s value is likely to be negatively affected. This product does not include any protection from future market performance so you could lose some or all of your investment.

Tax legislation in your country of domicile may have an impact on your personal tax position.

A more detailed description of risk factors that apply to this sub-fund is set out in the Company's Prospectus and sub-fund fact sheet.

Performance scenarios

Investment £10,000

Scenarios	1 years	3 years	5 years (Recommended holding period)
Stress scenario	£7,384	£7,890	£7,337
Average return each year	-26.2%	-7.6%	-6.0%
Unfavourable scenario	£9,892	£10,619	£11,594
Average return each year	-1.1%	2.0%	3.0%
Moderate scenario	£10,642	£12,057	£13,660
Average return each year	6.4%	6.4%	6.4%
Favourable scenario	£11,457	£13,700	£16,108
Average return each year	14.6%	11.1%	10.0%

- This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest £10,000.
- The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.
- The scenarios presented are an estimate of future performance based on evidence from the past, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product.
- 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 also affect how much you get back.

What happens if R&H Fund Services (Jersey) Limited is unable to pay out?

All of the assets of The Income Fund (GBP) are entrusted to BNP Paribas Depository Services (Jersey) Limited ("the Custodian"). If R&H Fund Services (Jersey) Limited encounters financial difficulties this will not affect the security of your investment. If the Custodian encounters financial difficulties the Company could suffer a loss in some circumstances. The Income Fund (GBP) is not subject to any statutory compensation scheme and is subject to approval by the Jersey Financial Services Commission; therefore, potential investors are advised that all or most of the protections offered by the financial regulator in their country of domicile (if other than Jersey) may not apply.

What are the costs?

Presentation of costs

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Cost over time

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 [£10,000]			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the recommended holding period
Total costs	£159.00	£484.00	£819.00
Impact on return (RIY) per year	1.59%	1.59%	1.59%

Composition of costs

This table 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, as well as what the different costs categories mean.

One-off costs	Entry costs	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.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.24%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.35%	The impact of costs that we take each year for managing your investments.
Incidental costs	Performance fees / Carried Interest	0.00%	The impact of the performance fees / carried interests. We take these from your investment if the product outperforms its benchmark.

How long should I hold it and can I take money out early?

If you invested following advice from a financial adviser, you have 14 days to cancel your investment. Please note that if the value of your underlying investment has changed from the time your money was originally invested in the funds, you may not receive your full money back.

The product has a recommended minimum holding period of 5 years because its strategy is to maximise total return. The Income Fund (GBP) deals weekly on a Thursday, provided such day is a Business Day in Jersey, failing which the next Business Day. To sell your investment, provide written redemption instructions to R&H Fund Services (Jersey) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW by 1700 hours (Jersey time) on the Business Day preceding the relevant Dealing Day. Alternatively, call +44 (0) 1534 825 200 and we will send you a confirmation together with a form which you will need to complete and return to us.

How can I complain?

Written complaints can be addressed to R&H Fund Services (Jersey) Limited, Ordnance House, 31 Pier Road, St. Helier, Jersey, JE4 8PW or by email to complaints@rhfsl.com. Alternatively, complaints can be lodged via our online contact page at www.rhj.je/contact-us.

Other relevant information

The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. Depending on how you buy sub-fund shares you may incur other costs. We make available a number of additional documents both before and after you invest. Copies of these documents, and the latest copy of this document, are available on request.

Before you invest:

- Application form and declarations
- Sub-Fund Fact Sheet
- Prospectus

After you invest:

- Annual report and accounts
- Redemption form