

## KEY INVESTOR INFORMATION

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 help you compare it with other products.



# City Natural Resources High Yield Trust PLC

- City Natural Resources High Yield Trust PLC (the "Company")
- CQS (UK) LLP (the "PRIIP Manufacturer")
- ISIN GB0000353929
- Call +44 20 7201 6900 for more information
- CQS (UK) LLP is authorised and regulated by the Financial Conduct Authority
- Produced on 30 November 2017

## WHAT IS THIS PRODUCT?

### Type

The Company is a UK closed-ended investment trust whose shares are traded on the London Stock Exchange.

### Objectives

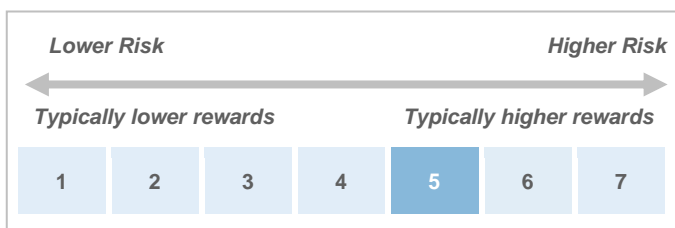
To provide shareholders with capital growth and income from a portfolio of predominately quoted mining and resource equities and mining, resource and other fixed interest securities (including convertible securities and bonds).

The Company has borrowed to purchase assets for the Company. This will magnify any gains or losses made by the Company.

The Ordinary Shares of the Company are bought and sold via markets. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

The Shares of the Company are intended for investors who are able to make an informed investment decision based on this document and the most recent Annual and Half yearly Financial Reports. Investors should understand that there is no capital guarantee or protection (100 per cent of capital is at risk).

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



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. The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions are likely to impact the products performance. This product does not include any protection from future market performance so you could lose some or all of your investment.

This table below 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. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Performance Scenarios		Investment £10,000		
Scenarios		1 year	3 years	5 years
Stress scenario	What might you get back after costs	2,790	3,329	2,274
	Average return each year	(72%)	(31%)	(26%)
Unfavourable scenario	What might you get back after costs	6,495	4,147	2,854
	Average return each year	(35%)	(25%)	(22%)
Moderate scenario	What might you get back after costs	9,008	7,311	5,934
	Average return each year	(10%)	(10%)	(10%)
Favourable scenario	What might you get back after costs	12,497	12,891	12,340
	Average return each year	25%	9%	4%

## WHAT HAPPENS IF CQS (UK) LLP IS UNABLE TO PAY OUT?

The assets of the Company are entrusted to HSBC Bank PLC. If CQS (UK) LLP encounters financial difficulties these assets will not be affected. If the assets are lost and this is the fault of HSBC Bank PLC (or its delegates), equivalent assets/value will be returned to the Company. If HSBC Bank PLC (or its delegates) encounters financial difficulties, the Company could suffer a loss in some circumstances.

## WHAT ARE THE 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 the three different holding periods. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time			
	Investment £10,000		
	1 year	3 years	5 years
Total Costs	£384	£1,152	£1,920
Impact on return (RIY)	3.84%	3.84%	3.84%

## 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;
- The meaning of the different cost categories

Impact on return per year			
One-Off costs	Entry costs	None	The impact of the costs you pay when entering your investment.
	Exit Costs	None	The impact of the costs of exiting your investment.
Ongoing costs	Portfolio Transaction costs	0.26%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	3.58%	The impact of the costs that we take each year for managing your investment.
Incidental costs	Performance fees	None	The impact of the performance fee.
	Carried interests	None	The impact of the carried interests.

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

The shares are considered to be a medium to long-term investment and therefore the recommended holding period should be at least five years. The company is expected to continue indefinitely and does not offer shareholders the option to withdraw their money early.

## HOW CAN I COMPLAIN?

As a shareholder of the Company you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of the Company. Complaints about the company or the key information document should be sent to:

Company Secretary, City Natural Resources High Yield Trust PLC, (for the attention of Lucy Robertson)  
Maitland Administration Services (Scotland) Limited, 20 Forth Street, Edinburgh, EH1 3LH  
Email: [lucy.robertson@maitlandgroup.co.uk](mailto:lucy.robertson@maitlandgroup.co.uk)  
Web: [www.maitlandgroup.com](http://www.maitlandgroup.com)

## OTHER RELEVANT INFORMATION

The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. The investor information document required under AIFMD provides you with key information about the product which you are advised to read so you can make an informed decision about whether to invest. This document together with the Annual and Half-Yearly Financial Reports, Company Announcements and other information is available on [www.ncim.co.uk](http://www.ncim.co.uk).