

Key Information Document

SQN Secured Income Fund

Product

Name	SQN Secured Income Fund Plc (the "Company") Ordinary Shares
ISIN	GB00BYMK5S87
Manufacturer	KKV Investment Management Ltd.
Competent Authority	The Company is not regulated or authorised by the Financial Conduct Authority but is subject to the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules are applicable to closed-ended investment companies. The Company is subject to the oversight of the Financial Conduct Authority in respect of the production of this key information document.

This key information document is accurate as at 31 December 2019.

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

Contact details

For more information, please visit our website - www.kkvim.com/managed-funds/sqn-secured-income-fund/ - or call +44 (0) 207 429 2200 for more information.

What is this product?

Type	The Company is a closed-ended investment company, trading on the Main Market of the London Stock Exchange (within the Specialist Fund Segment).
Strategy	The Company aims to provide Shareholders with attractive risk adjusted returns, principally in the form of regular, sustainable dividends, through investment predominantly in a range of secured loans and other secured loan-based instruments originated through a variety of channels and diversified by way of asset class, geography and duration.
Intended	The Company is designed for investors who are seeking exposure to alternative finance investments and related instruments and who are capable themselves of evaluating the merits and risks of the investment and who have sufficient resources to bear any loss (which may equal the whole amount invested) which may result from such an investment.
Bid/Offer spread	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 may be higher than the price at which you could sell it.
Maturity	The Company has an unlimited life, however in the event that the Ordinary Shares have been trading at a discount to NAV of greater than 10% for three consecutive months (calculated on a rolling three monthly average of daily numbers), the Board shall convene a general meeting to propose a continuation resolution. If such a continuation resolution is not passed, the Board will draw up proposals for the winding-up or reconstruction of the Company for submission to Shareholders.

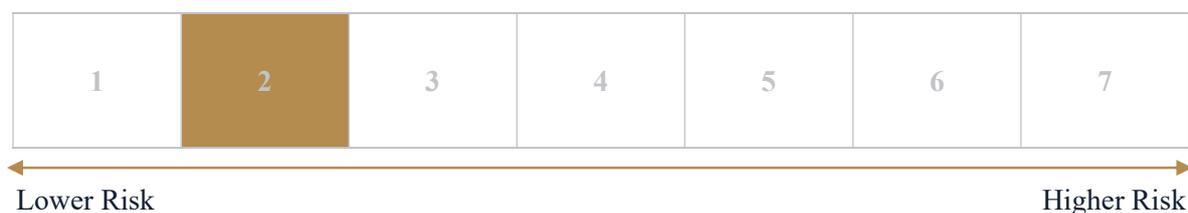
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What are the risks and what could I get in return?

The summary risk indicator is a guide to the level of risk of this fund 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 medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions could impact our capacity to pay you.



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at any early stage and you may get back less. 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 Company is exposed to exchange rate volatility as it holds assets denominated in multiple currencies. We endeavour to mitigate foreign exchange risk by conducting hedging operations. Capital may be at risk as the value of investments may go down as well as up and is not guaranteed.

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

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

Performance scenarios		1 Year	3 Years	5 Years (Recommended holding period)
Stress scenario	What you might get back after costs.	£9,358	£8,918	£8,624
	Average return each year.	-6.4%	-3.7%	-2.9%
Unfavourable scenario	What you might get back after costs.	£9,643	£9,694	£9,886
	Average return each year.	-3.6%	-1.0%	-0.2%
Moderate Scenario	What you might get back after costs.	£10,268	£10,805	£11,369
	Average return each year.	2.7%	2.6%	2.6%
Favourable Scenario	What you might get back after costs.	£10,897	£12,001	£13,029
	Average return each year.	9.0%	6.3%	5.4%

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The 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 on how the value of this investment varies and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. 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 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 KKV Investment Management Ltd. is unable to pay you?

As the shares are traded on the London Stock Exchange and not directly with KKV Investment Management Ltd. Any default by KKV Investment Management Limited should not materially affect the value of the underlying investments. A default by the Company or any of the underlying holdings, could affect the value of your investment. As a shareholder in the Company, which is a listed company, you would not be able to make a claim to the Financial Services Compensation Scheme about the product in the event that the Company is unable to pay out.

What are the costs?

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

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

Table 1: Costs over time

The person selling you or advising you on 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 scenarios (£10,000)	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£228	£683	£1,138
Impact on the return (RIY) per year	2,28%	2,12%	1,98%

Table 2: 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.

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One-off costs	Entry charge	N/A	The impact of the costs you pay when entering your investment.
	Exit charge	N/A	The impact of the costs of exiting your investment when it matures.
Recurring costs	Portfolio transaction costs	0,27%	The impact of costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2,0%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance / other incidental fees	N/A	This product does not have any performance or other incidental fees.

Separate distribution charges may apply.

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

Recommended holding period: 5 years.

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 is no guarantee that any appreciation in the value of the Company's investments will occur and the investors may not get back the full value of their investments. The value of the ordinary shares and the income derived from them (if any) may go down as well as up. The Company does not have a fixed winding up date and therefore, unless shareholders voted to wind-up the Company, investors will only be able to realise their investment through the market. Although the ordinary shares are traded on the specialist fund segment, it is possible that there may not be a liquid market in the shares and investors may have difficulty selling them. Accordingly, investors may be unable to realise their shares at the quoted market price (or at the prevailing net asset value per share), or at all. You may sell your investment within the recommended holding period without penalty.

How can I complain?

As a shareholder of the Company you do not have the right to complain to the UK Financial Ombudsman Service (FOS) about the management of the Company. Complaints about the Company or the key information document should be lodged in one of three ways:

- You can contact us on +44 (0)207 429 2200 where we will log your complaint and explain what to do.
- You may log your complaints via our website www.kkvim.com/managed-funds/sqn-secured-income-fund/
- You may send your complaint in writing to KKV Investment Management Ltd., 25 Upper Brook Street, London W1K 7QD, UK.

Other relevant 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 to help you compare it with other products.

We are required to provide you with further documentation, such as the product's latest prospectus, annual and interim reports. These documents and other product information are available online at www.kkvim.com/managed-funds/sqn-secured-income-fund/.

This documentation is made available in accordance with the Listing Rules and the Disclosure Guidance and Transparency Rules of the United Kingdom Listing Authority and the Alternative Investment Fund Managers Directive (2011/61/EU). The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules.