

Key Information Document

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: **HWSI Realisation Fund Limited - Ordinary Shares (PRIIP)**

ISIN: **GG00BYMYC345**

PRIIP Manufacturer: **HWSI Realisation Fund Limited**

Website: <https://hadrianswallcapital.com/fund> Call: **+44 (0) 1481 737600** for more information.

This document was produced: 24 March 2020

What is this product?

Type: The PRIIP is a company limited by shares with an unlimited life, incorporated under the Companies (Guernsey) Law, 2008, as amended (the “**Guernsey Companies Law**”) on 27 April 2016 and is listed on the London Stock Exchange Main Market. As such, there is no maturity date. Shares of the PRIIP 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, brokers may additionally charge commissions. The product may borrow to purchase assets for the Product. This will magnify any gains or losses made by the Product.

Objectives: The PRIIP will be managed with the intention of realising all remaining assets in the Portfolio in a prudent manner consistent with the principles of good investment management and with a view to returning cash to Shareholders in an orderly manner.

Intended retail investor: Typical investors in the product are expected to be institutional and sophisticated investors and professionally advised private investors. This product is also suitable for investors with basic capital markets knowledge and/or experience of shares, including retail investors. However, it is only suitable for investors who are capable of bearing a financial loss, including a substantial or entire loss of their investment, and who can accept that there may be limited liquidity in the shares.

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

Risk Indicator



The risk indicator assumes you keep the product for 3 years.

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 5 out of 7, which is a medium-high risk class.

The Risk Indicator rates the potential losses from future performance at a medium-high level, and poor market conditions will likely impact your ability to realise your position.

This product does not include any protection from future market performance, so an investor's return will be impacted by general market volatility which can vary significantly over time. As a result, prevailing market conditions will significantly impact how much you get back.

Interest Rate Risk: The value of the product's underlying fixed coupon holdings may be adversely impacted by interest rate fluctuations. If interest rates differ from expectations the net income and capital value of the product may be adversely affected.

Credit and Counterparty Risk: The portfolio is exposed to the risk of a deteriorating credit environment which may adversely impact the value of the product's investments. Additionally, there is exposure to the potential loss of loan default due to the borrower's failure to repay the loan or obligation. As a result the fund may be adversely affected.

Liquidity Risk: As shares trade via the secondary market, trading volumes may reduce, or shares may trade at a discount to their respective Net Asset Value, due to a variety of factors, such as market conditions, liquidity concerns or Product performance. As a result, Shareholders may be unable to realise their investment at quoted market prices.

Leverage or Borrowing Risk: Financing may be relatively short-term, whereas the Investments of the product are medium term. The product may be exposed to higher levels of market risk as a result of the leverage or borrowings. A fall in the value of the product's investments may cause gearing levels to rise to a level not deemed to be suitable. To the extent that refinancing facilities are not available at economic rates or at all, the product may be required to sell assets at disadvantageous prices, impacting the products value.

Market Risk: Should market conditions change, if there is deterioration in the intended investment pipeline and liquidity is unable to be deployed into suitable opportunities, investors may experience “cash drag”, which may impact the products ongoing dividend target and investment objective.

Performance Scenarios				
Investment £10,000				
		1 year	2 years	3 years (Recommended holding period)
Stress scenario	What you might get back after costs	£1,852	£6,319	£5,687
	Average return each year	-81.48%	-20.51%	-17.15%
Unfavourable scenario	What you might get back after costs	£6,170	£4,435	£3,268
	Average return each year	-38.30%	-33.41%	-31.12%
Moderate scenario	What you might get back after costs	£8,143	£6,498	£5,186
	Average return each year	-18.57%	-19.39%	-19.66%
Favourable scenario	What you might get back after costs	£10,058	£8,911	£7,701
	Average return each year	0.58%	-5.60%	-8.34%
<p>The table shows the money you could get back over the next 3 years under different scenarios, assuming that you invest £10,000.</p> <p>The scenarios shown illustrate how your investment could perform. You can compare them with scenarios of other products.</p> <p>The scenarios presented are an estimate of future performance based on evidence from the past and are not an exact indicator. What you may get will vary depending on how the market performs and how long you keep the investment.</p> <p>The above information is compiled according to prescribed formulae which take into account, amongst other things, past performance. In the opinion of the Product Manufacturer, and based on the current portfolio construction, the product is unlikely and not expected to achieve consistent performance in line with the favourable scenario presented.</p> <p>The figures shown include all the costs of the product itself and do not include any costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect the amount you get back.</p>				
What happens if HWSI Realisation Fund Limited is unable to pay out?				
<p>The value of the shares in the product is directly impacted by the solvency status of HWSI Realisation Fund Limited. No service provider to the product has any obligation to make any payment to you in respect of the Ordinary Shares. There are no investor compensation or guarantee scheme available to investors should the product be unable to pay out, you should be prepared to assume the risk that you could lose all of your investment.</p>				
What are the costs?				
Costs over time	<p>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 (where applicable).</p> <p>The amounts shown here are the cumulative costs of the product itself, for three different holding periods. The figures assume that you invest GBP 10,000. The figures are estimates and may change in the future.</p> <p>The person selling to 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.</p>			
	Investment £10,000	If you cash in after 1 year	If you cash in after 2 years	If you cash in at the recommended holding period of 3 years
	Total Costs	£194	£318	£415
	Impact on return (RIY) per year	1.94%	1.94%	1.94%
Composition of Costs	<p>The table below shows:</p> <ul style="list-style-type: none"> 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. What the different cost categories mean. 			

	One Off Costs	Entry costs	None	As a closed ended collective investment scheme, no entry charges apply.
		Exit costs	None	As a closed ended collective investment scheme, no exit charges apply.
	Ongoing Costs	Portfolio transaction costs	None	Costs pertaining to the buying and selling of the products underlying investments.
		Insurance costs	None	No insurance protection charges apply to investors of the PRIIP.
		Other ongoing costs	1.94%	All charges applicable to the Product including management fees.
	Incidental Costs	Performance fees	None	No performance fees apply.
		Carried Interests	None	No carried interests apply to the PRIIP

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

The minimum recommended holding period for the product is 3 years, however, the shares of the Product trade continuously on the London Stock Exchange and is not bound by any prescribed redemption or sale restrictions.

How can I complain?

As a shareholder of HWSI Realisation Fund Limited you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of HWSI Realisation Fund Limited. Any complaints concerning this fund or the key information document should be sent to:-

HadriansWall@PraxisIFM.com

International Fund Management Limited, Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR

Other relevant information

The prospectus and any other information can be obtained from the following websites.

<https://hadrianswallcapital.com/fund>

www.londonstockexchange.com

Information on the gearing and borrowing limits can be found on page 44 of the prospectus.

Depending on how you buy these shares you may incur other costs, including broker commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary.