



## 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

**Name of product** – Ordinary shares of JZ Capital Partners Limited

**Name of product manufacturer** – JZ Capital Partners Limited (“JZCP”)

**ISIN** – GG00B403HK58

**Website** – [www.jzcp.com](http://www.jzcp.com)

**Call** - FTI Consulting on +44 (0)20 3727 1143/1016 for more information

**Competent authority responsible for the supervision of the product manufacturer in relation to this document** – Guernsey Financial Services Commission

**Date of production of this document** – 16 July 2020

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

## What is this product?

### Type

Ordinary shares of an authorised closed-ended investment company incorporated in Guernsey.

### Objectives

JZCP's objective is to create a portfolio of investments providing capital appreciation by investing in U.S. and European micro-cap companies, as well as in real estate in the U.S.

The product has no maturity date and, save for any payments of dividends or other returns (e.g. on a winding up), JZCP is not expecting to make payments to shareholders. The objective of the product is to generate returns by an increase in the market value of the shares, which can be realised by the sale of your shares through a bank or stockbroker. In the short term, JZCP does not expect to make payments directly to you of dividends or other returns.

JZCP has borrowed to purchase assets and may increase or decrease the level of such borrowing. This could potentially magnify any gains or losses made by JZCP.

### Intended retail investor

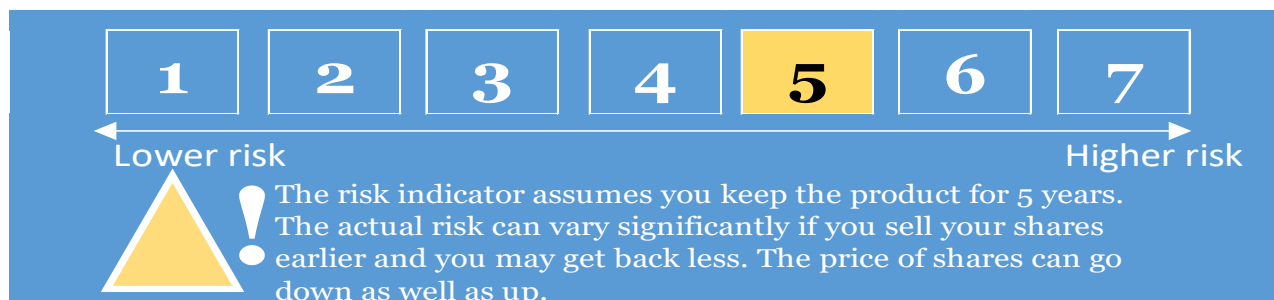
This product is intended for retail investors who:

- have a long-term investment horizon of 5 years or more;
- are able to bear a total loss of the invested amount;
- have a basic knowledge of, and experience with, financial products and the financial markets generally; and
- have a growth investment objective.

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

### Risk Indicator

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 JZCP are not able to pay you.



JZCP 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 to high level.

The market price of the product has not historically tracked JZCP's net asset value per share. Changes in leverage may impact the volatility of the market price of the product.

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

**What are the risks and what could I get in return? (continued)****Performance Scenarios**

| Investment £10,000<br>Scenarios |  | 1 Year            | 3 Years           | 5 Years<br>(Recommended<br>holding period) |
|---------------------------------|--|-------------------|-------------------|--|
| <b>Stress scenario</b>          | <b>What you might get back after costs</b><br>Average return each year | £281<br>-97.19%   | £1,530<br>-46.52% | £789<br>-39.83%                            |
| <b>Unfavourable scenario</b>    | <b>What you might get back after costs</b><br>Average return each year | £5,297<br>-47.03% | £2,195<br>-39.67% | £977<br>-37.2%                             |
| <b>Moderate scenario</b>        | <b>What you might get back after costs</b><br>Average return each year | £7,357<br>-26.43% | £3,776<br>-27.62% | £1,956<br>-27.84%                          |
| <b>Favourable scenario</b>      | <b>What you might get back after costs</b><br>Average return each year | £9,429<br>-5.71%  | £6,042<br>-15.46% | £3,617<br>-18.4%                           |

This table shows the money you could get back over the next five 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 will get will vary depending on how the market performs and how long you keep the investment/product.

The stress scenario shows what you might get back in extreme market circumstances and it does not take into account the situation where JZCP are not able to pay you.

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 JZCP is unable to pay out?**

JZCP will have no direct payment obligations to you, as a shareholder, other than to the extent any dividends or other returns are declared. However, if JZCP were to enter into default or bankruptcy it is likely that the market value of the product would decline substantially and it may become worthless.

The product is not covered by an investor compensation or guarantee scheme, and you would not be able to make a claim in the event that JZCP were unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay any amounts due to you on a winding up at the end of its life. If you sell your shares on the London Stock Exchange, your bank or stockbroker will receive cash on delivery of your shares and should pass that to you.

**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 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.

The manufacturer is required to include the information above and below without any changes. The law was drafted for investments which pay returns directly to investors, not those for which a return is expected to be delivered by the investor selling shares on a market. The performance scenarios above are shown based on share price returns together with returns for dividends or other distributions. They are entirely independent of the costs shown below, all of which are borne by the product and have no direct impact on investment performance of the product.

If you sell your shares, you would pay your bank's or stockbroker's dealing charges and be selling at the then available market bid price. That is likely to be lower than the offer price at which others could buy shares at that time. Share prices in the media are typically the mid price, being half way between the bid and the offer price.

**Costs 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<br>Scenarios        | If you cash<br>in after 1<br>Year | If you cash<br>in after 3<br>Years | If you cash in at the end of<br>the recommended holding<br>period (5 Years) |
|--|-----------------------------------|------------------------------------|---|
| <b>Total costs</b>                     | £560                              | £1,588                             | £2,503  |
| <b>Impact on return (RIY) per year</b> | 5.60%                             | 5.60%                              | 5.60%   |



## What are the costs? (continued)

### 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.

#### This table shows the impact on return per year

|                         |                                    |       |  |
|-------------------------|------------------------------------|-------|--|
| <b>One-off costs</b>    | <b>Entry costs</b>                 | 0.00% | The impact of the costs you pay when entering your investment.   |
|                         | <b>Exit costs</b>                  | 0.00% | The impact of the costs of exiting your investment when it matures.  |
| <b>Ongoing costs</b>    | <b>Portfolio transaction costs</b> | 0.00% | The impact of the costs of JZCP buying and selling underlying investments for the product.                                   |
|                         | <b>Other ongoing costs</b>         | 5.60% | The impact of the costs that are taken each year for managing your investments.  |
| <b>Incidental costs</b> | <b>Performance fees</b>            | 0.00% | The impact of the performance fee. Performance fees are taken from your investment if the product outperforms its benchmark. |
|                         | <b>Carried interests</b>           | 0.00% | The impact of carried interests.   |

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

### Recommended Holding Period: Five Years

Listed private equity funds are designed to be long term investments and the returns from them can be volatile during their life. With limited exceptions, a five year investment horizon is the minimum period recommended by LPEQ, the trade body for listed private equity funds. As JZCP's shares are listed on the London Stock Exchange's Specialist Fund Segment, you can expect to sell them at any time through your bank or stockbroker.

The product can be bought and sold through the London Stock Exchange's Specialist Fund Segment. The price that you can deal at may not be the same as the net asset value of the underlying investments per share of JZCP. If you choose to sell your shares, you will pay the dealing costs your bank or stockbroker charge and will sell at the bid price available when your sale instruction is processed on the market.

## How can I complain?

If you have any complaints about the product, or about the conduct of JZCP or the person advising on or selling the product, you may lodge your complaint in one of three ways:

- You may log your complaint via our website [www.jzcp.com](http://www.jzcp.com).
- You may send your complaint by email to JZCP's administrator Northern Trust International Fund Administration Services (Guernsey) Limited at [GSY\\_Board\\_Relationship\\_Team@ntrs.com](mailto:GSY_Board_Relationship_Team@ntrs.com).
- You may send your complaint in writing to JZ Capital Partners, PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey GY1 3QL.

Complaints in relation to persons advising on or selling the product who are in no way connected to JZCP, should be addressed to them in the first instance.

## Other relevant information

JZCP are required to provide you with further documentation, such as JZCP's latest prospectus, annual and semi-annual reports. These documents and other information relating to JZCP are available online at [www.jzcp.com](http://www.jzcp.com).

The cost, performance and risk calculations included in this KID are based on methodologies prescribed by EU rules.

The Other Ongoing Charges on the Composition of Costs Table, representing 5.60% of JZCP's net asset value, is comprised of: Investment Adviser's fee 2.11%, finance costs 2.83%, costs relating to underlying funds 0.10% and other expenses 0.56%.

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.