KEY FACT STATEMENT – FIXED INCOME SECURITIES

This Key Facts Statement provides you with important information about various aspects of Fixed Income Securities as an asset class and key characteristics. You will receive further information with the subscription form based on the type of transaction i.e. Leverage / Non Leveraged. This document is being provided to you to understand the key features of a Mutual Fund its appropriateness and suitability for your needs.

SECTION 1: WHAT IS ARE FIXED INCOME SECURITIES AND HOW DOES IT WORK?

A bond is a long-term obligation of an issuer and is sometimes simply defined as a "promise to pay." The issuer promises to pay the bondholder (owner) a fixed amount of interest each year for a fixed time period. At the end of that period (the maturity date), the issuer promises to pay the bondholder the face value of the bond. Bond issues impose fixed-financial obligations on the issuer, therefore they are considered fixed-income securities.

SECTION 2: CHARACTERISTICS OF A BOND

Intrinsic	Types of Issues	Indenture provisions
• Par Value • Term to maturity • Coupon rate • Determining Interest Payments (Fixed Rate Coupon, Floating Rate Coupon or Zero-Coupon)	Relative Priority of the Claim on Assets.	The indenture is the contract between the issuer and the bondholder specifying the issuer's legal requirements. All of the factors that dictate a bond's features, its type, and its maturity are set forth in the indenture.

SECTION 3: KEY FACTORS

Factors Affecting the Determination of Coupon Rate on Bonds

- Real risk free rate
- Expected future inflation
- Credit rating / standing
- Tenor if Bond / Length of time the funds are borrowed
- Investor demand

SECTION 4: YIELD TO MATURITY VS YIELD TO CALL (YTC)

Yield to maturity	Yield to call (YTC)
The yield is the interest rate that will make the present value of the future cash flows generated by the bond with the current market price of the bond. To calculate the YTM we can utilize the future/present values formula to value all of the cash flow of a bond that the investor would realize by holding the bond to maturity.	Yield-to-call is conceptually similar to yield-to-maturity. The major difference is that YTC assumes the issuer will call the bond at the first opportunity. Therefore, the YTC measures the promised rate of return the investor will receive from holding this bond until it is retired at the first available call date, that is, at the end of the deferred call period.

Warning: Past performance of any investment is not a guarantee of its future performance and that prices may go down as well as up, and in certain circumstances that right of the investor to redeem investments may be restricted.

SECTION 5: KEY RISK

Market Risk	Credit risk	Liquidity risk
Interest rate risk	Foreign Exchange risk	Reinvestment risk
Call risk	Sovereign Risk	Early Redemption by Issuer Risk
Settlement Risk	Subordination risk	Variable coupon risk
Risk of investing long tenor bonds	Regulatory risk	Inflation risk

SECTION 6: FEE AND CHARGES

A maximum upfront charge on subscription / redemption up to 3% of the subscription / redemption amount and broker fees CHF 75 per transaction is applicable.

⚠ **Attention**

Cooling Off Period:

Cooling offer Period allow a client a window to withdraw the consent to subscribe a particular financial product. Mutual Funds subscription is subject to a Cooling-off Period and however due to the price sensitive and immediate implementation natural of the transaction you an investor waives off the right to a Cooling-off Period.

Terms and Conditions

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