

## Key Investor Information

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

### PALLADIUM FCP – Cairn Mediobanca Strata UCITS Credit Fund CLASS I5 (USD) ISIN: LU1808849639

This Fund is managed by Mediobanca Management Company SA

#### Objectives and Investment Policy

The Fund seeks to produce positive returns from a diverse portfolio of developed market European credit positions generated from a combination of interest received and trading gains.

The Fund will adopt a highly flexible approach allowing the investment manager to allocate capital across a number of sectors of the credit market (each an "Asset Class"), each being managed by dedicated portfolio management and research teams. The initial Asset Classes are Financials, Corporates, Asset-Backed Securities ("ABS") and Special Opportunities. The Fund may invest in a wide variety of credit instruments including bonds, notes, convertible bonds and/or hybrid capital instruments (such as contingent convertible instruments ("CoCos")) and structured credit instruments including collateralised loan obligations ("CLOs") and ABS (including consumer ABS, residential mortgage backed securities ("RMBS") and commercial mortgage backed securities ("CMBS")). The Fund may use derivative instruments such as options, single name or index credit default swaps ("CDS"), total return swaps ("TRS") and forwards for investment purposes or to optimise or reduce exposure in conjunction with the investment manager's view.

The credit instruments listed above may embed financial derivatives and/or structural leverage.

While both long and short positions may be employed, it is expected that the portfolio will be predominantly long. Foreign exchange and interest rate exposures resulting from the credit instruments listed above will be hedged through the use of financial derivatives.

The Fund will aim to be diversified in terms of industry, geographic region, sector and rating. The Fund will not invest in assets with a credit rating of CCC or below.

The Fund may enter into securities lending, repurchase and reverse repurchase transactions and TRS for efficient portfolio management and/or hedging purposes.

The Fund is open-ended which means that unitholders may request to redeem their units in the Fund on any business day at prices based on the applicable net asset value per unit.

Unitholders may request the conversion of their units to units in another class of units of the Fund.

The income, earnings and gains of the Fund will be capitalised and reinvested on behalf of unitholders.

**Recommendation:** The Fund may not be appropriate for investors who plan to withdraw their money in the short-medium term. A typical investor has an investment horizon of 2-3 years or more.

The net asset value of the Fund will be determined on each business day on which banks are open for business simultaneously in Luxembourg and London except for 24 and 31 December. Redemption requests will be closed at 12.00 p.m. on the business day proceeding the relevant valuation day.

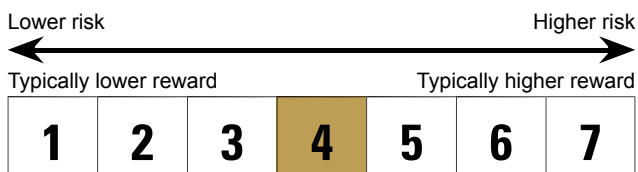
Minimum Initial Investment: USD equivalent of 100,000 EUR.

Minimum Subsequent Investment: USD equivalent of 100,000 EUR.

The Fund is denominated in EUR.

The Fund is actively managed. The Fund is using 12 month \$ LIBOR for the purpose of calculating the performance fees as indicated under the heading "Charges taken from the Fund under specific conditions" and in the past performance section below.

#### Risk and Reward Profile



The risk indicator is calculated using simulated data, which cannot be used as a prediction for the future risk profile of the Fund. Therefore, the risk and reward category shown is not guaranteed to remain unchanged and the categorisation of the Fund may shift over time.

Even if the Fund is in the lowest risk class, you can lose money as no investments are entirely risk free.

At this time, the level of the risk and reward profile is equal to 4, due to the expected volatility of the Fund and the instruments in which the Fund invests.

The risk and reward profile does not take into consideration the following risks, which can affect the Fund:

- credit risk: which is linked to the debt securities the Fund invests in;

- operational risk: which may occur due to technical issues for example natural disasters, misunderstandings and fraud;
- counterparty risk: which may occur due to the fact that the Fund may have exposure through contracts with third parties;
- liquidity risk: which may occur due to the fact that investments made in financial instruments could have a low level of liquidity in some extraordinary circumstances for example in the case of a market crash or default of debt claims on an issuer's side; and
- risks linked to the investment in financial derivatives, i.e. the risks that variations in the market prices of the underlying instruments may be magnified in terms of profits and losses for the Fund (leverage).

For more detailed information on the risks associated with an investment in the Fund, please refer to the section in the Prospectus entitled "Risk Factors" and discuss with your professional advisers.



## Charges for this Fund

The charges paid by the investors are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of the investment.

### One-off charges taken before or after you invest

<b>Entry charge</b>	0%
<b>Exit charge</b>	0%

The entry and exit charges shown are maximum figures. In some cases the investor might pay less - contact your financial advisor or distributor.

### Charges taken from the Fund over a year

<b>Ongoing charges</b>	1.08%
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### Charges taken from the Fund under certain specific conditions

#### Performance fee

15% of the positive difference between (i) the net asset value of this class before accrual for performance fees at the end of the relevant calendar year performance period and (ii) the high water mark threshold amount, taking into account the hurdle rate which is [12 month \$ LIBOR plus 2%]. For the last calendar year the performance fee was 0.2%.

The ongoing charges figure is based on expenses for the period of 12 months ended 31/12/2019. This figure may vary from year to year.

The ongoing charges exclude portfolio transaction costs and the performance fees.

You may also be charged an anti-dilution levy on entry to or exit from the Fund of up to 3% of the net asset value per unit.

More detailed information on charges can be found in the Prospectus of the Fund.

## Past Performance

**As the Fund has no performance data for one complete year, there is insufficient data to provide a useful indication of past performance.**

The graph shows annual performance in USD for the units with a launch date: 23 October 2019.

Past performances are not a guarantee of future performances.

The net asset value of the Fund can change at anytime. The performance does not include expenses and commissions.

## Practical Information

Depository: BNP Paribas Securities Services, Luxembourg branch.

Further information about the Fund, copies of its Prospectus and latest annual report and any subsequent half-yearly report can be found in English. These documents are available free of charge for the investors and can be found at Mediobanca Management Company SA's homepage: [www.mediobancamanagementcompany.com](http://www.mediobancamanagementcompany.com) and at the depository.

The details of the updated remuneration policy containing further details and information in particular on how the remuneration and advantages are calculated and the identity of the persons responsible for the attribution of the remuneration and advantages (including the members of the remuneration committee) is available at [www.mediobancamanagementcompany.com](http://www.mediobancamanagementcompany.com). A hard copy of the remuneration policy or its summary may be obtained free of charge upon request.

The current unit prices of the Fund are available from the depository and all distributors.

The FCP is an umbrella fund with several sub-funds, with one or several unit classes in each. The assets and the liabilities of each sub-fund are segregated by law. The units of a class of units of the Fund may be converted into units of another class of units of the Fund. No conversion fee shall apply. Units of the Fund cannot be converted into units of another sub-fund of the FCP. For more details on how to exercise that right refer to the Prospectus.

Luxembourg taxation regime may have an impact on the personal tax position of the investors.

Mediobanca Management Company SA may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus.