

IMPORTANT FUND INFORMATION.

NATIONWIDE

This guide gives you further information about each fund available from IPS and supports the **Key Investor Information Document**.

WHERE TO START.

BEFORE YOU START READING

There are several important documents you should read to help you make your decision about investing:

- The **Key Investor Information Document (KIID)** gives you the key information you need to decide whether a fund is right for you. It's essential you read the **KIID** carefully so you understand what you're buying.
- The **Investing with IPS** brochure gives you important information to help you make an informed decision about investing. You should read this document carefully so you understand what you are buying.
- This **Important Fund Information** guide gives you information about the funds available and the specific risks that apply to them.
- The **Terms and Conditions** that apply when you invest in a product with IPS.

OTHER USEFUL INFORMATION

You'll also find more fund information in the fund's **factsheet** and **Prospectus**.

The **Using IPS** guide tells you about investing in funds and also how to make changes to your investment.

The **Platform Charge Explained** document tells you more about the IPS Platform Charge.

If you've agreed to pay adviser charges the **Guide to Facilitated Adviser Charges** explains how we can facilitate payment of these for you.

If you need a copy of these documents please contact your adviser or Customer Services.

CONTACTING US

There are several different ways of getting in touch with us.

Calling our UK Customer Services contact centre on:



0345 272 0089.

We're open Monday to Friday 9am to 5.30pm. Call charges will vary. We may record and monitor calls.



Enquiries@Nationwide.onlinelPS.co.uk

If you're contacting us by email, please remember not to send any personal, financial or banking information because email is not a secure method of communication.



Investor Portfolio Service

PO Box 1112

Chelmsford

CM99 2UX

INVESTMENT RISK.

Investing in a fund always means putting your money at some sort of risk. Your attitude to risk is key to choosing which fund, or mix of funds, is suitable for you.

A fund that has a higher risk generally means the potential return from that fund is higher. It also means the potential to lose money is higher. A higher risk fund may also be more volatile, meaning the fund value is likely to rise and fall more, and by larger amounts.

A lower risk fund generally means a lower potential return, but with less risk of losing money. It is usually less volatile, meaning the fund value is less likely to rise and fall as often, or by as much.

GENERAL INVESTMENT RISKS

The **Investing with IPS** document lists the general investment risks that you should be aware of before you decide to invest. These risks apply to all funds. The effect of each risk will vary between funds, depending on how the fund invests.

FUND SPECIFIC RISKS

In the fund tables later in this guide, you'll see each fund has a list of risks that apply to that fund. These are based on the types of assets the fund invests in or where in the world it invests. These risks are in addition to the general investment risks.

We regularly review the funds we offer and decide which risks apply to each fund. We take account of:

- the fund's aim;
- the assets the fund invests in; and
- the fund manager's own opinion of the risks that apply to their fund.

To find out more about a risk that applies to a fund, see the Fund Specific Risks section at the back of this guide. The risks are numbered to make them easier to find.

Some funds have a lot of specific risks. This doesn't necessarily mean the fund is riskier than another fund with fewer specific risks listed. For example, a fund will often have more risks listed because it is invested in a wider and more diverse range of assets.

The fund risks can tell you what risks apply to a fund, but not how significantly the risks could affect your money. To put the amount of risk into context, we also provide you with information showing the degree of risk on the **KIID**.

RISK AND REWARD PROFILE

The **risk and reward profile** calculated by the fund manager is shown on the **KIID** as a number on a standard scale based on the potential risk and also the potential reward of a fund. It allows comparison across most European investment funds using standard calculations based on the type of fund you're comparing. It shows the volatility in the performance of each fund, giving you an idea of how much risk you're exposed to and how much a fund can rise and fall in value. The risk and reward profile is split into seven sections, so you can find funds that meet the appropriate level of risk for you. However, it doesn't allow you to compare the relative risk of two funds within the same section. The calculation is based on the rate at which the value of the fund has moved up and down in the past five years.

It's important you regularly review the funds you hold to make sure you're comfortable with the risk and the funds are still suitable for your investment objectives.

FUND INFORMATION NOT COVERED IN THE KEY INVESTOR INFORMATION DOCUMENTS.

In this section you'll find information about the funds we offer that's not covered in the **Key Investor Information Documents**.

- The information provided for each fund is as accurate and current as we can make it.
- For external funds we rely on the information provided by the company managing it.

As such, we can't guarantee it's up to date.

THE FUND INFORMATION HEADINGS EXPLAINED.

UNIT OR SHARE TYPE AVAILABLE

This tells you what types of units (for unit trusts) or shares (for open-ended investment companies) are available for the fund.

ACC – Accumulation units/shares – These are designed to achieve capital growth by reinvesting any income received.

INC – Income units/shares – These are designed to pay you an income.

PRICING METHOD

Whether a fund is 'Single' or 'Dual' priced when you buy and sell units and shares. This affects how the charges for the fund are taken when you buy and sell units and shares.

VALUATION POINT

The time each business day when the fund manager works out the unit or share price of a fund based on the value of all its assets, and processes any transactions.

DISTRIBUTION DATES FOR INCOME

The dates in the year when we receive the income from income units or shares in the fund. If you hold accumulation units or shares in the fund, this date is for accounting purposes only.

EX-DIVIDEND DATES FOR CALCULATING INCOME

Also known as the 'XD' date. Dates on which the fund manager bases their calculation of any income payable at a subsequent distribution date.

DISTRIBUTION TYPE

Whether a fund pays out 'Interest' income or 'Dividend' income. This affects how your investment is taxed. Please see the 'Tax' section of **Investing with IPS** for more about interest and dividend income.

CHARGES PAID FROM INCOME GENERATED OR CAPITAL

Tells you whether the fund manager takes its charges from the income the fund generates or from its capital.

FUND REBATE

This tells you any rebate you'll receive from the fund charge.

FUND SPECIFIC RISKS

Each fund has specific risks that apply in addition to the general risks. Each risk has a number that corresponds to the list of all the fund risks and their definitions at the back of this guide. You can refer to the fund specific risk pages to easily compare the fund specific risks between each fund.



Please see the KIID for each fund for information on charges.

TABLE 1: FULL FUND RANGE.

The following funds are available to:

- Advised customers – You are paying or have paid an initial or ongoing Adviser Charge to Nationwide.
- Existing customers who originally invested before 31 December 2012 and are not paying a separate adviser charge.

Fund name	Unit/share type available	Pricing method	Valuation point	Distribution dates for income (DD/MM)	Ex-dividend (XD) dates for calculating income (DD/MM)	Distribution type	Charge paid from income generated or capital	Fund rebate	Fund specific risks
Artemis Global Income I Fund	Acc, Inc	Dual	12 noon	31/03, 30/09	31/01, 01/08	Dividend	Capital	0.07%	8, 10, 12, 13, 19
Artemis Income I Fund	Acc, Inc	Dual	12 noon	30/06, 31/12	30/04, 31/10	Dividend	Capital	0.07%	8, 10, 12, 13, 19
BlackRock UK Special Situations D Fund	Acc	Dual	12 noon	30/04, 31/10	01/03, 01/09	Dividend	Income	n/a	8, 9, 13, 19, 29, 35
BNY Mellon Long Term Global Equity W Fund	Acc	Single	12 noon	31/08	30/06	Dividend	Income	0.10%	8, 9, 12, 13, 21, 35
Fidelity Emerging Markets W Fund	Acc	Single	12 noon	31/08	01/07	Dividend	Income	n/a	9, 10, 12, 13, 21
Fidelity Extra Income Y Fund	Acc, Inc	Single	12 noon	30/04	01/03	Interest	Income	0.10%	12, 14, 15, 16, 17, 18, 31
Fidelity Strategic Bond Y Fund	Acc, Inc	Single	12 noon	25th of each month	1st of each month	Interest	Income	0.10%	8, 12, 14, 15, 16, 17, 18, 31
Henderson UK Property PAIF Feeder I Fund	Acc, Inc	Dual	12 noon	31/01, 30/04, 31/07, 31/10	01/12, 01/03, 01/06, 01/09	Dividend	Capital	0.15%	9, 10, 12, 22, 23
Invesco Perpetual Corporate Bond Fund (No Trail)	Acc, Inc	Single	12 noon	30/06, 31/12	01/05, 01/11	Interest	Income	0.25%	8, 12, 14, 15, 16, 17
Invesco Perpetual Income Fund (No Trail)	Acc, Inc	Single	12 noon	31/05, 30/11	01/04, 01/10	Dividend	Capital	0.30%	10, 12, 13, 17
Investec UK Alpha J Fund	Acc, Inc	Single	12 noon	30/11	30/09	Dividend	Income	n/a	8, 9, 13
Investec UK Special Situations I Fund	Acc	Single	12 noon	30/11	30/09	Dividend	Income	0.13%	9, 13
Kames High Yield Bond B Fund	Acc, Inc	Single	12 noon	Final day of each month	First day of each month	Interest	Capital	0.15%	8, 10, 12, 14, 15, 16, 17
Kames Investment Grade Bond B Fund	Acc, Inc	Single	12 noon	31/03, 30/06, 30/09, 31/12	01/02, 01/05, 01/08, 01/11	Interest	Income	0.15%	14, 15, 16, 17
Lazard Emerging Markets I Fund	Acc	Single	12 noon	31/05, 30/11	01/04, 01/10	Dividend	Income	0.25%	8, 10, 12, 13, 19, 21
Legal & General All Stocks Gilt Index I Trust	Acc, Inc	Single	12 noon	25/01, 25/07	25/11, 25/05	Interest	Capital	n/a	8, 10, 14, 15, 20, 28, 29, 30, 31
Legal & General All Stocks Index Linked Gilt Index I Trust	Acc, Inc	Single	12 noon	26/01, 26/07	26/11, 26/05	Interest	Capital	n/a	8, 10, 14, 15, 29, 30, 31

TABLE 1: FULL FUND RANGE. continued

Fund name	Unit/share type available	Pricing method	Valuation point	Distribution dates for income (DD/MM)	Ex-dividend (XD) dates for calculating income (DD/MM)	Distribution type	Charge paid from income generated or capital	Fund rebate	Fund specific risks
Legal & General Global Emerging Market Index I Fund	Acc	Dual	12 noon	30/09	31/07	Dividend	Income	n/a	9, 12, 13, 21, 24, 29
Legal & General Global Equity Index C Fund	Acc	Dual	3pm	15/03	15/01	Dividend	Income	n/a	9, 12, 13, 29
Legal & General International Index I Trust	Acc, Inc	Dual	3pm	06/06, 06/12	06/04, 06/10	Dividend	Income	n/a	8, 9, 12, 13, 29
Legal & General Mixed Investment 0-20% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Interest	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33,
Legal & General Mixed Investment 0-35% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment 20-60% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment 40-85% C Fund	Acc	Single	3pm	31/05, 30/11	31/03, 30/09	Dividend	Income	n/a	9, 1, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment Income 0-35% C Fund	Acc, Inc	Single	3pm	29th of each month (in February the payment will be on the 27th)	30th of each month (in February XD will be 28th)	Interest	Capital	n/a	8, 9, 12, 13, 14, 15, 16, 29, 31, 33,
Legal & General Mixed Investment Income 20-60% C Fund	Acc, Inc	Single	3pm	29th of each month (in February the payment will be on the 27th)	30th of each month (in February XD will be 28th)	Dividend	Capital	n/a	8, 9, 12, 13, 14, 15, 16, 29, 31, 33,
Legal & General Sterling Corporate Bond Index I Fund	Acc, Inc	Dual	12 noon	20/04, 20/07, 20/10, 20/01	20/02, 20/05, 20/08, 20/11	Interest	Capital	0.05%	8, 10, 12, 14, 15, 16, 29, 31
Legal & General Sterling Income I Fund	Acc, Inc	Single	12 noon	13th of each month	15th of each month	Interest	Income	n/a	8, 9, 12, 14, 15, 16, 29, 31
Legal & General (N) Tracker C Trust	Acc, Inc	Single	12 noon	31/05, 30/11	31/03, 30/09	Dividend	Income	n/a	8, 9, 13, 29
Liontrust Special Situations I Fund	Inc	Dual	12 noon	31/07	01/06	Dividend	Income	n/a	8, 9, 13, 19, 35
M&G Feeder of Property Portfolio I Fund	Acc, Inc	Dual	12 noon	28/02, 31/05, 31/08, 30/11	01/01, 01/04, 01/06, 01/10	Dividend	Income	0.05%	8, 17, 18, 23
M&G Global Dividend I Fund	Acc, Inc	Single	12 noon	28/02, 31/05, 31/08, 30/11	03/01, 02/04, 02/07, 01/10	Dividend	Capital	0.05%	8, 10, 12, 13, 17
M&G Global Emerging Markets I Fund	Acc	Single	12 noon	31/03	01/02	Dividend	Income	0.05%	12, 13, 17, 18, 21

TABLE 1: FULL FUND RANGE. continued

Fund name	Unit/share type available	Pricing method	Valuation point	Distribution dates for income (DD/MM)	Ex-dividend (XD) dates for calculating income (DD/MM)	Distribution type	Charge paid from income generated or capital	Fund rebate	Fund specific risks
M&G Recovery I Fund	Acc, Inc	Single	12 noon	28/02, 31/08	04/01, 01/07	Dividend	Income	0.10%	9, 13, 17, 18
Newton Global Income I Fund	Acc, Inc	Single	12 noon	28/02, 31/05, 31/08, 30/11	31/12, 31/03, 30/06, 30/09	Dividend	Capital	0.40%	8, 10, 12, 13, 14, 18, 19, 21, 35
Old Mutual Global Equity U1 Fund	Acc	Dual	12 noon	31/12	01/11	Dividend	Income	n/a	9, 13, 21
Royal London Corporate Bond M Fund	Acc, Inc	Single	12 noon	31/03, 30/06, 30/09, 31/12	01/02, 01/05, 01/08, 01/11	Interest	Capital	0.15%	14, 15, 16, 31
Royal London UK Equity Income M Fund	Acc, Inc	Single	12 noon	31/01, 30/04, 31/07, 31/10	01/12, 01/03, 01/06, 01/09	Dividend	Capital	0.07%	10, 13
Schroder UK Alpha Income Z Fund	Acc, Inc	Single	12 noon	28/02, 31/08	01/01, 01/07	Interest	Capital	0.08%	13, 20
Standard Life Inv UK Equity Income Unconstrained I Fund	Acc, Inc	Single	7.30am	30/06, 28/02	30/04, 31/10	Dividend	Both	n/a	8, 9, 10, 13, 20
Threadneedle Global Equity Income Z Fund	Inc	Single	12 noon	31/03, 30/06, 30/09, 31/12	01/02, 01/05, 01/08, 01/11	Dividend	Capital	0.08%	8, 9, 10, 12, 13
Threadneedle UK Z Fund	Acc	Single	12 noon	07/05, 07/11	08/03, 08/09	Dividend	Income	0.08%	8, 9, 13

TABLE 2: PRIMARY FUND RANGE – SELF DIRECTED.

Fund name	Unit/share type available	Pricing method	Valuation point	Distribution dates for income (DD/MM)	Ex-dividend (XD) dates for calculating income (DD/MM)	Distribution type	Charge paid from income generated or capital	Fund rebate	Fund specific risks
Legal & General Global Equity Index C Fund	Acc	Dual	3pm	15/03	15/01	Dividend	Income	n/a	9, 12, 13, 29
Legal & General Mixed Investment 0-20% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Interest	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33,
Legal & General Mixed Investment 0-35% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment 20-60% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment 40-85% C Fund	Acc	Single	3pm	31/05, 30/11	31/03, 30/09	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General (N) Tracker C Trust	Acc	Single	12 noon	31/05, 30/11	31/03, 30/09	Dividend	Income	n/a	9, 13, 29

TABLE 3: PRIMARY FUND RANGE – ADVISED

Fund name	Unit/share type available	Pricing method	Valuation point	Distribution dates for income (DD/MM)	Ex-dividend (XD) dates for calculating income (DD/MM)	Distribution type	Charge paid from income generated or capital	Fund rebate	Fund specific risks
Legal & General Global Equity Index C Fund	Acc	Dual	3pm	15/03	15/01	Dividend	Income	n/a	9, 12, 13, 29
Legal & General Mixed Investment 0-20% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Interest	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33,
Legal & General Mixed Investment 0-35% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment 20-60% C Fund	Acc	Single	3pm	31/03, 30/09	31/01, 31/07	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment 40-85% C Fund	Acc	Single	3pm	31/05, 30/11	31/03, 30/09	Dividend	Income	n/a	9, 12, 13, 14, 15, 16, 29, 31, 33
Legal & General Mixed Investment Income 0-35% C Fund	Acc, Inc	Single	3pm	29th of each month (in February the payment will be on the 27th)	30th of each month (in February XD will be 28th)	Interest	Capital	n/a	8, 9, 12, 13, 14, 15, 16, 29, 31, 33,
Legal & General Mixed Investment Income 20-60% C Fund	Acc, Inc	Single	3pm	29th of each month (in February the payment will be on the 27th)	30th of each month (in February XD will be 28th)	Dividend	Capital	n/a	8, 9, 12, 13, 14, 15, 16, 29, 31, 33,
Legal & General (N) Tracker C Trust	Acc	Single	12 noon	31/05, 30/11	31/03, 30/09	Dividend	Income	n/a	9, 13, 29

FUND SPECIFIC RISKS.

On the next few pages you'll find full definitions for all of the fund specific risks shown in this guide.

Each risk has a number. This number corresponds to the risks shown in the fund table. It's a good idea to refer to this page when looking at the funds, so you can see what the risks mean at a glance.

MISSING DEFINITIONS

All the fund specific risks that apply to each fund are listed below. You'll notice some risk numbers are missing from this list. That's because some of the risks are general risks explained in the **Investing with IPS** brochure and others don't apply to the funds in this guide.

THIRD-PARTY FUNDS

The specific risks relating to funds are provided by the fund management company. We take reasonable steps to ensure the risks shown are appropriate, but ultimately we rely on those third parties for the information and its accuracy.

8. TAKING INCOME WILL REDUCE GROWTH

If you take an income from your investment this will reduce the potential for future growth of income or capital.

9. INSUFFICIENT INCOME

If the fund's income is not enough to pay charges, the fund's capital will be used instead. This may reduce the potential for growth or lead to a fall in the value of the fund.

10. TAKING CHARGES FROM CAPITAL

All or some of the annual charges may be taken from the fund's capital rather than the fund's income. This increases the amount of income you may be paid, but reduces the growth potential and may lead to a fall in the value of the fund.

12. CURRENCY CHANGES

The fund may have investments valued in currencies that are not sterling (British pounds).

- If the value of these currencies falls compared to sterling, this may mean the value of your investment and the income paid to you will go down.
- If arrangements are made to protect the fund against currencies' movements (known as 'hedging') and the currencies rise compared to sterling, your fund will not benefit from those gains.

13. EQUITIES (COMPANY SHARES)

Investments in company shares tend to be riskier than for many other types of investment. This is because the value of shares goes up and down, more often and by a larger amount than for many other asset types, especially in the short term.

14. FIXED INTEREST SECURITIES

Investment returns on fixed interest securities – corporate and government bonds, and other types of debt - are particularly sensitive to trends in interest rate movements and inflation. Their values are likely to fall when interest rates rise. Such falls may be more pronounced in a low interest rate environment. Longer dated fixed interest securities will fall by more than short dated fixed interest securities.

15. RISK OF ISSUER BECOMING LESS SECURE

The financial strength of a company or government issuing a fixed interest security (such as a bond or other types of debt) determines their ability to make some or all of the payments they are committed to. If their financial strength weakens, the chances of them not making payments increases. This could reduce the value of your investment and the amount of income paid to you.

16. HIGH YIELD BONDS

The fund invests in higher yielding bonds (known as 'sub-investment grade' bonds). Compared to lower yielding bonds (known as 'investment grade' bonds)

there is a greater risk that the fund will not receive back, either on time or at all, some or all of the amount invested or interest that is due to be paid.

17. DERIVATIVES

This fund uses derivatives for investment purposes and so may be higher risk than funds that don't. Sometimes, using derivatives could give lower returns, or cause the value of your fund to fall even though the market is rising.

18. DERIVATIVE COUNTERPARTY RISK

The fund may have derivative contracts with companies such as banks or other financial institutions. If these companies experience financial difficulty, they may be unable to pay back some or all of the interest, original capital or other payments that they owe. If this happens, the value of your fund may fall.

19. SMALLER COMPANIES

The fund invests in smaller companies. Investments in smaller companies tend to be riskier than investments in larger companies because they can:

- be harder to buy and sell;
- go up and down in value more often, and by larger amounts, especially in the short term.

20. CONCENTRATION OF INVESTMENTS

Most funds have lots of individual investments, so don't rely upon the performance of just a few. The whole of this fund, or a large part of it, has relatively few individual investments. This means that a fall in the value of an individual investment can have a major impact on the overall performance of the fund.

21. EMERGING MARKETS

The fund invests in countries where investment markets are not as well developed as those in the UK. This means that investments are generally riskier than those in the UK because they:

- are not as well regulated;
- are more difficult to buy and sell;
- have less reliable arrangements for the safekeeping of assets;
- are more exposed to political and taxation uncertainties.

The value of the fund can go up and down more often and by larger amounts than funds that invest in developed countries, especially in the short term.

22. MARKET SECTOR

Most of the fund invests in companies from a particular market sector. Investing like this can be riskier than investing across many market sectors. This is because the value of the fund can go up and down in value more often and by larger amounts than funds that are spread more widely, especially in the short term.

23. COMMERCIAL PROPERTY

Property can be difficult to buy or sell.

This could mean:

- Cash builds up waiting to be invested, so the fund will underperform when property returns are greater than the interest earned; and/or
- Property may have to be sold for less than expected.

If an exceptional amount of withdrawals are requested, the fund manager may be forced to sell properties quickly. This could mean that properties are sold for less than expected, which would reduce the value of your investment.

If the size of the fund falls significantly, the fund may have to invest in fewer properties. This may lead to an increase in risk.

Rental growth is not guaranteed and unpaid rent could affect the performance of your investment.

The value of property is generally a matter of valuer's opinion rather than fact and the true value of a property may not be recognised until the property is sold.

24. DEPOSIT

The fund has money on deposit with companies such as banks or other financial institutions. If any of these suffer financial difficulty, they may be unable to pay back some or all of the interest, original amount invested or other payments they owe. If this happens the value of your fund may fall.

25. UNREGULATED SCHEMES

This fund can invest in unregulated schemes. Each unregulated scheme can have a higher risk than an authorised scheme. This could lead to an increased risk to the value of your investment.

27. SOCIALLY RESPONSIBLE OR RELIGIOUS INVESTMENTS

The standards used for this fund mean that it cannot invest in some companies' shares or corporate bonds or in certain market sectors, for example tobacco or mining. Because this fund

limits the companies it may invest in, it may be riskier than funds that don't have such restrictions.

28. MONEY MARKET

The fund invests in money market securities which may be issued by governments, companies, banks and other financial institutions. If any of these issuers suffer financial difficulty, they may be unable to pay back some or all of the interest, original amount invested or other payments they owe. The value of money market securities may fall due to changes in interest rates, inflation, creditworthiness, wider credit events or extensions to the anticipated term of investments. If this happens the value of your fund may fall.

29. DELAYED REPAYMENT

This fund is able to delay paying out, which may mean that you have to wait to get your money. A delay may happen when market conditions mean it is difficult for the fund manager to cash in investments to pay out to investors.

For example, a fund with investments in commercial properties may find they may take time to sell. Whilst waiting to complete on the sale of properties, the fund manager may suspend making payments to investors who want to cash in.

The fund can only delay paying out if it is in the interests of all investors and with the permission of the fund trustee or depositary.

30. FEW BOND ISSUERS

The fund invests almost exclusively in fixed interest bonds from a single or small number of issuers, such as companies or governments. If any of these issuers experience financial difficulty, they may be unable to pay back some or all of the interest, original investment or other payments that they owe. If this happens, the value of your fund may fall.

31. LIQUIDITY

This fund has investments that, rather than being traded on a stock exchange, are traded through agents, brokers or investment banks matching buyers and sellers. This makes the investments less easy to buy and sell than those that are traded on an exchange and on any particular day there may not be a buyer or a seller for the investments. In times of market uncertainty or if an exceptional amount of withdrawals are requested it may become less easy for your fund to sell investments. If this happens, the value of your fund may fall and in extreme circumstances this may also force a delay in buying and selling your investment in the fund.

The fund can only delay paying out if it is in the interests of all investors and with the permission of the fund trustee or depositary.

32. PRIVATE EQUITY

This fund invests in shares of companies that are not listed on a stock exchange, so they can be difficult to buy or sell. This could mean the shares may have to be sold for less than expected, which would reduce the value of your investment.

The value of private company shares is generally a matter of valuer's opinion rather than fact.

33. EXCHANGE TRADED FUNDS

Exchange Traded Funds generally try to match the performance of a share index, such as the FTSE 100, or to track the price of commodities such as oil or gold. Exchange Traded Funds can use a number of different techniques to achieve their goals (including the use of derivatives) and as a consequence can be more complex than traditional funds. The value of this investment may go up and down more often and by larger amounts, particularly in the short term.

34. TARGETED ABSOLUTE RETURN FUNDS

The fund is a Targeted Absolute Return Fund. This type of fund tries to increase the value of your investment over a period of time, in both rising and falling markets. There is no guarantee of returns. The fund's value may go down as well as up. You may not get back the money you invested. Targeted Absolute Return Funds use a range of different types of investment strategies, some of which can be high risk, and may use derivatives. As a consequence these funds can be more complex than traditional funds. It is possible that the value of these funds could go down when the market is rising, or may not rise as quickly. Each Targeted Absolute Return Fund is designed to produce a specific outcome, so care should be taken when comparing them with other funds.

35. STOCK LENDING

The fund manager may lend stock to other parties and it is usual for the borrower to provide collateral. If the borrower fails to return the borrowed stock, the collateral may not be enough to cover the value of the stock, resulting in a reduction in the fund value.

36. INFLATION LINKED BONDS

The fund invests in inflation-linked bonds, which are particularly sensitive to changes in inflation rates. Their values are likely to fall when inflation rates fall.



Cofunds Limited

Registered in England and Wales No. 3965289

Registered office: One Coleman Street, London EC2R 5AA

We are authorised and regulated by the Financial Conduct Authority.

P526 Q36635 11/16 H0160297