

## NOMURA IRIS FUND

# 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.

**CLASS A GBP (the "Class") IN THE NOMURA INTEREST RATE INVESTMENT STRATEGY FUND (the "Fund"), A SUB-FUND OF NOMURA INVESTMENT SOLUTIONS PLC (the "Company") (ISIN: IE00B3YX0495)**

### INVESTMENT OBJECTIVES AND POLICY

The Fund aims to provide investors with exposure to:

- 2-times the performance of the IRIS Strategy, an interest rate trading strategy (the "Strategy"), and
- The Eurozone short-term interest rate ("EONIA").

The Strategy is designed to make returns from changes in interest rates by analysing fundamental and technical indicators, such as central bank interest rates, unemployment data and inflation.

The Fund uses leverage, an investment technique which gives an investor a larger exposure to an asset than the amount that it invested. This use of leverage can materially magnify both gains and losses and may have a significant impact on your investment.

EONIA (Euro Over Night Index Average) is a short-term interest rate calculated by the European Central Bank.

In the event that the Fund gets its exposure to the Strategy and EONIA through a swap, the Fund will exchange payments of cash with a counterparty, which is expected to be part of the

Nomura group, for a return based on the Strategy and EONIA. The Fund only takes exposure to interest rates, currencies and government bonds. It invests on a rules-based, non discretionary basis and does not track a benchmark.

Any income arising from the Fund is reinvested and shares in the Fund may be bought and sold daily.

- The Fund applies a risk management mechanism so that if certain risk indicators are breached, the Fund will reduce its exposure to the Strategy, which may result in a decrease in the Fund's performance.
- Portfolio transaction costs may have a material impact on the Fund's performance.
- Investment in the Fund may be suitable for investors seeking capital growth over a mid-to-long term horizon, typically a minimum of two years. Investors should be prepared to accept periods of market volatility and the risk that their investment may decrease in value in pursuit of long term goals.

### RISK AND REWARD PROFILE



This synthetic risk and reward indicator (SRRI) is based on the volatility of the returns of the Fund's investment strategy over the last five years. The Fund's current category indicates that it has a medium level of risk, as the assets to which it is exposed have experienced a medium level of volatility during that period. You should understand that this measure of risk has limitations:

- The lowest category in this table does not mean free of risk;
- The Fund's risk category is not guaranteed and may change over time; and
- The historical and synthetic data used in producing the SRRI may not be indicative of the Fund's future risk profile.

The following risks which may not be captured adequately by the SRRI should also be taken into account when considering an investment in the Fund:

**Operating History:** The Strategy has a short operating history,

so its long term historical performance cannot be evaluated precisely.

**Conflicts of Interest:** Nomura International plc, the promoter of the Company, trades in financial instruments in the normal course of its business. Such trading may inadvertently affect the Strategy, so that potential conflicts of interest may exist for the Fund.

**Changes to the Strategy:** The Strategy sponsor may make changes to the Strategy which could have an adverse impact on the returns of the Fund.

**Correlation:** Movements in the price of shares in the Fund may not match movements in the value of assets to which the Fund is exposed perfectly or closely.

**Counterparty:** The Fund will have a risk exposure to any counterparty with which it enters into a swap, which will be reduced but not eliminated through the use of collateral. The counterparty is expected to be a Nomura group entity.

**Leverage:** The use of leverage by the Fund means that losses (as well as gains) may be magnified and may be greater than if the Fund did not use leverage.

This list is not exhaustive and you should also refer to the "Investment Considerations" section of the prospectus.

## CHARGES FOR THE FUND

The charges you pay 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 your investment.

**Entry charge:** 5%

**Exit charge:** 3%

This is the **maximum** that might be taken out of your money before it is invested and before the proceeds of your investment are paid out, respectively.

### Charges taken from the Class over a year

Ongoing charges: 1.40%

### Charges taken from the Class under certain specific conditions

Performance fee: None

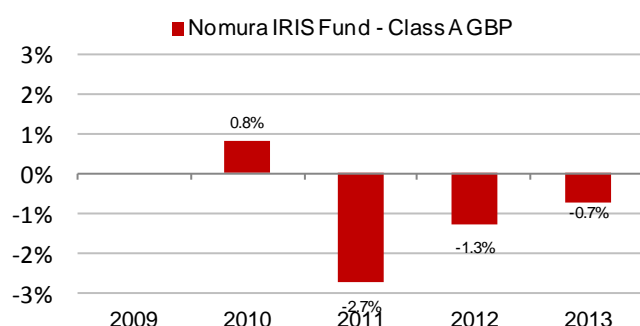
The **entry** and **exit charges** shown are maximum figures. In some cases you might pay less – you can find this out from your financial adviser.

The **ongoing charges** figure is based on expenses for the year ending 31 December 2013. This figure may vary from year to year. It excludes:

- Performance fees;
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment undertaking.

**For more information about charges, please see the “Fees and Expenses” section of the prospectus at [www.nomuranow.com/naim/](http://www.nomuranow.com/naim/)**

## PAST PERFORMANCE



Past performance is not indicative of future results.

The performance figures shown include actual investment management fees, administrative costs, transaction and replication costs.

The Class launched on 24 March 2010.

The performance has been calculated in Pounds Sterling.

## PRACTICAL INFORMATION

- **Fund Depositary:** BNP Paribas Securities Services SA, Dublin Branch
- Further information about the Fund, the prospectus, annual and semi-annual reports and the latest share prices may be obtained in English and free of charge from Nomura Alternative Investment Management (Europe) Ltd, the Company's investment manager, at:  
Telephone: +44 (0)20 7103 1176 / +44 (0)20 7103 5878 Email: [nomuraalternativeinvestmentmanagement@nomura.com](mailto:nomuraalternativeinvestmentmanagement@nomura.com)  
Web: <http://www.nomuranow.com/naim/>
- The Fund is subject to Irish tax rules. This may have an impact on your personal tax position. You should also consult your local tax advisor on the tax treatment of the Fund's shares in your jurisdiction.
- The Company 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.
- The Company is an umbrella fund with segregated liability between sub-funds and switching shares between sub-funds and share classes of the Fund may be possible upon written request according to the rules set out in the “Exchange Privilege” section of the prospectus.

**This Fund is authorised in Ireland and regulated by the Central Bank of Ireland.  
This key investor information is accurate as at 12 February 2014.**