

Key Information Document

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.

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

Product

Name: Hipgnosis Songs Fund Limited

Name of PRIIP Manufacturer: Hipgnosis Songs Fund Limited

ISIN: GG00BFYT9H7Z

Contact details: www.hipgnosissongs.com or telephone number +44 20 3289 2176

Competent authority: the Financial Conduct Authority

Date of production of this document: 27 June 2018

What is this product?

Type: Hipgnosis Songs Fund Limited (the "Company") is an investment company incorporated in Guernsey. It was registered in Guernsey under the Companies (Guernsey) Law, 2008 (as amended) on 8 June 2018.

Objectives: The Company's investment objective is to provide Shareholders with an attractive and growing level of income, together with the potential for capital growth, from investment in songs and associated musical intellectual property rights.

The Company will diversify risk through investments in portfolios of songs and associated musical intellectual property rights. The Company will seek to acquire 100 per cent of a songwriter's copyright interest in each song, which would comprise their writer's share, their publisher's share and their performance rights. In appropriate cases, however, the Company may not acquire all three elements of the songwriter's interest. The Company will acquire interests in Songs which are sole authored or co-authored. The Company may also acquire interests in songs jointly with another purchaser. Each song will be considered by the Company to be a separate asset.

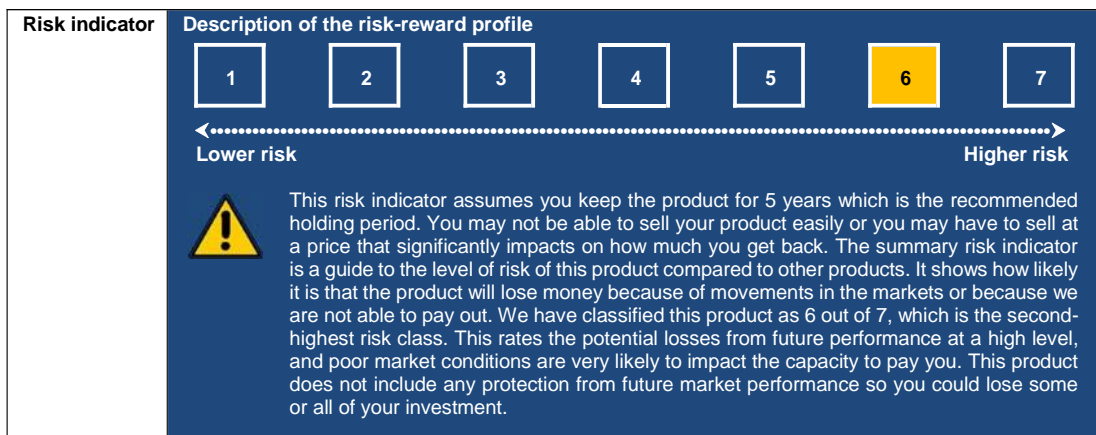
The Company will, directly or indirectly via portfolio administrators, enter into licensing agreements, under which the Company will receive payments attributable to the copyright interest in the songs which it owns. Such payments may take the form of royalties, licence fees, and/or advance payments.

The Company will focus on delivering income growth and capital growth by pursuing efficiencies in the collection of payments and active management of the songs it owns.

Intended retail investor: Investors in the Company are expected to be institutional investors, professional investors, professionally advised investors and highly knowledgeable investors who understand, or who have been advised of, the potential risks from investing in the Company.

Maturity: There is no maturity date.

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



Performance scenarios	Investment £10,000		1 year	3 years	5 years recommended holding period
	Scenarios				
	Unfavourable scenario	What you might get back after costs	£10,529.21	£12,320.12	£13,919.14
		Average return each year	5.3%	7.7%	7.8%
	Moderate scenario	What you might get back after costs	£11,495.30	£16,159.53	£20,398.41
		Average return each year	15.0%	20.3%	19.5%
	Favourable scenario	What you might get back after costs	£12,455.52	£20,237.80	£27,022.22
		Average return each year	24.5%	34.1%	34.0%
	This table shows the money you could get back over the next 5 years, under different scenarios, assuming 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 a reasonable and conservative best estimate of the expected values, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.					
The unfavourable scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.					
The figure show includes 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 Hipgnosis Songs Fund Limited is unable to pay out?

The ordinary shares are listed on the specialist fund segment of the main market of the London Stock Exchange. Should the Company be liquidated, the amount you receive for your holding will be based on the value of assets available for distribution after all other liabilities have been paid.

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. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Table 1: 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			
	Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of the recommended holding period
	Total costs	£130.71	£499.00	£739.58
	Impact on return (RIY) per year	1.31%	1.66%	1.48%

Table 2: Composition of costs	<p>The table below shows:</p> <ul style="list-style-type: none"> The impact each year of the different types of costs on the investment returns you might get at the end of the recommended holding period; and The meaning of the different cost categories
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This table shows the impact on return per year				
	One-off costs	Entry costs	0%	The impact of the costs you pay when entering your investment.
		Exit costs	0%	The impact of the costs of exiting your investment when it matures.
	On-going costs	Portfolio transaction costs	0%	The impact of the costs of us buying and selling underlying investments for the product.
		Other on-going costs	1%	The impact of the costs that we take each year for managing your investments.
	Incidental costs	Performance fees	10%	The Performance fee is calculated as 10% of outperformance above the Excess Total Return.
		Carried interests	0%	The impact of carried interests.

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

Recommended holding period: 5 years

This is a medium to long term investment.

The company is a closed-ended investment company whose ordinary shares are traded on the specialist fund segment of the main market of the London Stock Exchange. Shareholders who wish to realise their investment may only do so by selling their shares on the market. The price at which the shares are traded will be based on trading prices at the time on the London Stock Exchange on any normal business day.

How can I complain?

Complaints should be addressed to Eterra International Fund Managers (Guernsey) Limited, Heritage Hall, PO Box 225, Le Marchant Street, St. Peter Port, Guernsey GY1 4HY. If we cannot resolve your complaint to your satisfaction, you may be entitled to refer it to the Financial Ombudsman Service.

Other relevant information

We are required to provide you with further documentation, such as the product's latest prospectus, annual and semi-annual reports. These documents and other product information are available online at www.hipgnosissongs.com