LIONTRUST

EUROPEAN ENHANCED INCOME FUND

KEY INVESTOR INFORMATION DOCUMENT

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.

Liontrust European Enhanced Income Fund is an Authorised Unit Trust and categorised as a UCITS scheme. This document is based upon Institutional class units (I Inc Class) (ISIN: GB00BD2WZ766). This Fund is managed by Liontrust Fund Partners LLP, a subsidiary of Liontrust Asset Management PLC.

Objective

- The objective of this fund is to provide a high income yield.

Policy

- The Fund will predominantly invest in companies that are established in Continental Europe and Ireland. The Fund can also invest in companies from outside Europe that do substantial business in Europe and whose assets are mainly in European markets.
- The Fund aims to achieve a yield of 1.25 times the net yield of the MSCI Europe ex-UK Index. Income from this class' investments is paid out. Income from the other Fund's classes can be paid out, reinvested or accumulated.
- The Fund can invest in derivatives (contracts whose value is linked to the expected future price movements of an underlying asset). The Fund can also issue derivatives as well as buying them and can use them for efficient portfolio management. No use of derivatives should lead to an increase in risk to the Fund.
- The Fund can hold up to 100% in cash but may also use investments similar to cash, as well as money market instruments (which are a type of security where cash can be deposited for short periods).
- Derivatives are used to reduce the risks otherwise associated with making investments in currencies other than the Fund's accounting currency (sterling).
- The Fund will use derivative instruments to generate additional income by systematically writing "out of the money" call options.
- The Fund has both Hedged and Unhedged unit classes available. The Hedged unit classes use forward foreign exchange contracts to protect returns in the base currency of the Fund.

Recommendation

- This Fund may not be appropriate for investors who plan to withdraw their money within 5 years.

How to buy

- You may buy or sell units on a daily basis (but not weekends or Bank Holidays). Orders must be received by 12:00 midday for execution at 12:00 midday valuation point on the same day. Further details can be found at www.liontrust.co.uk/How to invest.

Investment process

- The Fund aims to provide:
  - a yield that is higher than the market;
  - an income stream that grows in the long run faster than inflation; and
  - long-term capital growth that is at least in line with inflation.
- The Fund seeks to achieve its objectives through investing in growing companies with low capital requirements that pay out expanding dividends. These companies are typically more stable, mature and secure with, for example, an economic edge or competitive advantage and dominant market position.
- Owning such companies may not alone produce market outperformance. To produce superior risk-adjusted returns, the Fund looks for companies with these characteristics that are also undervalued. The Fund generally seeks quality companies (cash generative and well established businesses with hard-to-replicate assets) with a good record of dividend growth and where the market has mispriced or underestimated their future earnings potential.
- Further details may be found in the prospectus and information on the investment process may be found at www.liontrust.co.uk.

Risk and reward profile

Lower Risk
Typically lower rewards

Higher Risk
Typically higher rewards



- This Synthetic Risk and Reward Indicator (SRRI) is based on historical data and may not be relied upon to gauge the future risk profile of the Fund.
- The SRRI shown is not guaranteed to remain the same and may shift over time.
- The lowest category (1) does not mean 'risk free'.
- The Fund's risk and reward category has been calculated using the methodology set by the European Commission. It is based upon the rate by which the Fund or a representative fund or index's value has moved up and down in the past.
- The Fund is categorised 5 for its exposure to European companies.
- The SRRI may not fully take into account the following risks:
  - that a company may fail thus reducing its value within the Fund;
  - any company which has high overseas earnings may carry a higher currency risk.
- The Fund may make use of derivative instruments but it is notintended that their use will materially affect volatility.
- Counterparty risk: any derivative contract, including FX hedging, may be at risk if the counterparty fails.
- The Fund may have a concentrated portfolio and therefore can lead to more risk than where investments are held more widely.
- As part of the investment policy, the Fund will write out of the money call options to generate additional income. These call options will be "covered", as the Fund will not sell a call option on a specific stock unless it has a long equity exposure to that stock (either directly or indirectly). Unitholders should note that potential capital growth of the Fund would be capped if these call options are exercised against the Fund and the Fund's capital returns are likely to be lower than the market in periods of rapidly rising share prices (either directly or indirectly). Unitholders should note that potential capital growth of the Fund would be capped if these call options are exercised against the Fund and the Fund's capital returns are likely to be lower than the market in periods of rapidly rising share prices.
- For full details of the Fund's risks, please see the prospectus which may be obtained from Liontrust (address overleaf) or online at www.liontrust.co.uk.

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Charges for this 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.

One-off charges taken before or after you invest	
Entry charge	None
Exit charge	None

- This is the maximum that might be taken out of your money before it is invested.

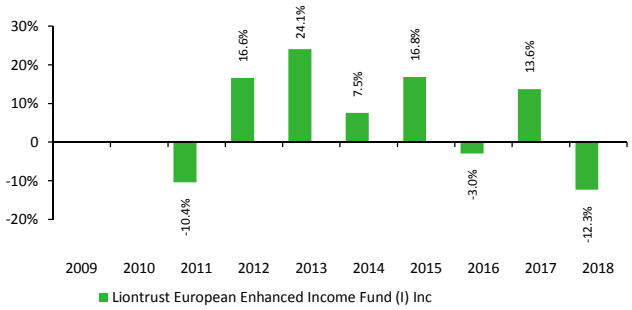
Charges taken from the Fund over the year	
Ongoing charges	0.93%

- **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 or fund platform if you are not using a financial adviser.
- **The ongoing charges** figure is based on expenses as at 31 December 2018. This figure may vary from year to year. It excludes:
  - portfolio transaction costs, except in the case of an entry/exit charge paid by the UCITS when buying or selling units/shares in another collective investment undertaking.
- In order to maximise income payments the Fund's fees, charges and expenses are taken from capital. This has the effect of increasing the Fund's income distribution but will constrain capital performance by an equivalent amount.
- For more information about charges, please see the Charges and Expenses section of the Fund's prospectus, which is available electronically at www.liontrust.co.uk/Literature/DownloadLiterature.

Charges taken from the Fund under certain specific circumstances	
Performance fee	None

Past performance

- The past performance relates to FP Argonaut European Income Fund which merged with the Liontrust Enhanced European Income Fund on 8 July 2016.
- The Fund was authorised by the FCA on 14 April 2016.
- This share class is hedged so investors do not benefit from or are disadvantaged from any movement in the value of sterling against Continental European currencies.
- Past performance is not a guide to future performance.
- Past performance has been calculated on the basis that any distributable income of the Fund has been reinvested.
- The past performance shown in the chart takes into account all charges except entry and exit charges.
- The Fund launched on 30 April 2010.
- The base currency of the Fund is pounds sterling.
- The I Inc share class was launched on 30 April 2010.



Practical information

Authorisation	This Fund is authorised in the UK and regulated by the Financial Conduct Authority.
Trustee	The Fund's Trustee is Bank of New York Mellon (International) Ltd.
Investment Adviser	Liontrust Investment Partners LLP
Further information	Copies of the prospectus and the latest annual and half-yearly reports, which are the primary source of additional information, are available, without charge, from Liontrust Fund Partners LLP, 2 Savoy Court, London, WC2R, 0EZ. They are also available electronically at www.liontrust.co.uk/Literature/DownloadLiterature.
Taxation	UK tax legislation may have an impact upon your own personal tax position.
Fund prices and other information	The Fund's last published price is available from Liontrust Fund Partners LLP at www.liontrust.co.uk/Products/FundPrices or by writing to us at 2 Savoy Court, London, WC2R 0EZ or by telephoning 0344 892 0349 during business hours (9.00am – 5.00pm).
Remuneration	Information on the current remuneration policy of the Fund, including a description of how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits, is available at www.liontrust.co.uk. A paper copy of this information is available free of charge upon request from Liontrust Fund Partners LLP at 2 Savoy Court, London, WC2R 0EZ.

Liontrust Fund Partners LLP 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 for the Fund. This Key Investor Information is accurate as at 17 April 2019.