

PRIIPs KID for:

Fair Oaks Income Limited – Realisation Shares

Key Information Document:

Fair Oaks Income Limited has followed the methodology prescribed by law (specifically, regulation known as 'PRIIPs' (Packaged Retail Investment and Insurance-based Products)) for the preparation of this 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.

Product

Name: Fair Oaks Income Limited – Realisation Shares
ISIN: GG00BRZRXM78
Manufacturer: Fair Oaks Income Fund Limited
Competent Authority: The United Kingdom - Financial Conduct Authority is responsible for supervising Fair Oaks Income Fund Limited in relation to this KID.
Contact Details: <https://www.fairoaksincome.com/>, or call +44 (0) 20 3530 3600 for more information
This key investor information is accurate as at 19 September 2023.

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

What is this product?

Type	The PRIIP is a non-cellular company limited by shares incorporated under the Companies (Guernsey) Law, 2008, as amended (the “Guernsey Companies Law”) and its shares are traded on the Specialist Fund Segment of the London Stock Exchange Main Market.
Objectives	The PRIIP’s investment objective is to generate attractive, risk adjusted returns to its investors through investment (via a Master fund, FOMC II LP, “the Master Fund II”) in US and European Collateralised Loan Obligations (“CLOs”) or other vehicles and structures which provide exposure to portfolios consisting primarily of US and European floating-rate senior secured loans and which may include non-recourse financing. On the basis of current market conditions, the PRIIP targets a net total return of between 12% and 14% per annum over the planned life of the Master Fund II.
Intended Investor	Typical investors in the product are expected to be professional and professionally advised and knowledgeable investors. The product is not targeted at, or expected to be distributed to, retail investors.
Term	The Company has an indefinite life and as such there is no maturity date.

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



The risk indicator assumes you keep the product for 5 years.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 6 out of 7, which is the second-highest risk class. This rates the potential losses from future performance at a high level and poor market conditions are very likely impact the capacity for you to receive a positive return on your investment.

The following are some of the other risks materially relevant to the PRIIPs which are not taken into account in the summary risk indicator:

Currency, credit, liquidity, interest rate, leverage/borrowing and market risks.

For further details of the risks please see the Prospectus at: www.fairoaksincome.com

This product does not include any protection from future market performance, so risk can vary significantly due to potential short-term market volatility. As a result, realisations in poor market conditions may significantly impact on how much you get back.

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

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

Performance Scenarios

Recommended holding period: 5 years

Example Investment: \$10,000

		if you exit after 1 year	if you exit after 5 years
Stress Scenario	What you might get back after costs	\$49	\$99
	Average return each year	-99.5%	-60.3%
Unfavourable scenario	What you might get back after costs	\$4,919	\$6,672
	Average return each year	-50.8%	-7.8%
Moderate scenario	What you might get back after costs	\$10,242	\$12,803
	Average return each year	2.4%	5.1%
Favourable scenario	What you might get back after costs	\$20,509	\$15,934
	Average return each year	105.1%	9.8%

The figures shown include 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.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product, and the Tetragon Financial Group Ltd as a suitable benchmark, over the last 10 years. Markets could develop very differently in the future. The stress scenario shows what you might get back in extreme market circumstances.

The unfavourable scenario occurred for an investment between the end of May 2015 and the end of May 2020.

The moderate scenario occurred for an investment between the end of Feb 2014 and the end of Feb 2019.

The favourable scenario occurred for an investment between the end of Jun 2016 and the end of Jun 2021.

What happens if Fair Oaks Income Fund Limited is unable to pay out?

The value of the shares in the PRIIP is directly impacted by the solvency status of Fair Oaks Income Limited. No service provider to the product has any obligation to make any payment to you in respect of the Ordinary Shares. There are no investor compensation or guarantee schemes available to investors should the product be unable to pay out. You should be prepared to assume the risk that you could lose all of your investment.

What are the costs?

The person selling to 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.

Table 1: Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest and how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have assumed:

- In the first year you would get back the amount that you invested (0 % annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.
- \$10,000 is invested

	If you exit after 1 year	If you exit after 5 years
Total costs	\$155	\$858
Annual cost impact (*)	1.55%	1.55%

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* This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 6.6% before costs and 5.1% after costs.

What are the costs? (continued)

Table 2: Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- The meaning of the different cost categories.

			If you exit after 1 year
One-off costs upon entry or exit	Entry costs	The impact of the costs you pay when entering your investment. [0%]	\$0
	Exit costs	The impact of the costs of exiting your investment when it matures. [0%]	\$0
Ongoing costs taken each year	Transaction costs	The impact of the costs of us buying and selling underlying investments for the product. [0%]	\$0
	Management fees and other administrative or operating costs	The impact of the costs that we incur each year for managing your investments. [1.24%]	\$124
Incidental costs taken under specific conditions	Performance fees	The impact of the performance fees. [0.31%]	\$31

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

Recommended holding period: 5 years

This product has no required minimum holding period but is designed for long term investment; you should be prepared to stay invested for at least 5 years.

How can I complain?

As a shareholder of Fair Oaks Income Limited you do not have the right to complain to the Channel Islands Financial Ombudsman about the management of Fair Oaks Income Limited. Any complaints concerning this product or the key information document should be sent to the AIFM at: fairoaksgrp@apexfs.group
Sanne Fund Services (Guernsey) Limited, 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL

Other relevant information

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The prospectus and any other information can be obtained from the following websites:

www.fairoaksincome.com

www.londonstockexchange.com

Information on the gearing and borrowing limits can be found on page 59 of the prospectus. Additional information on the Risk Factors can be found on page 27 of the prospectus.

Depending on how you buy these shares you may incur other costs, including broker commission, platform fees and Stamp Duty. The distributor will provide you with additional documents where necessary.

The methodology of the forecast is devised by the EU and the Regulator and not the Company.