

# Key Information Document



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.

## Lloyds Gilt Fund Limited - "A" Quarterly Income Class (the "Fund")

ISIN GB0009069716

The manufacturer and manager of the Fund is Lloyds Investment Fund Managers Limited (the "Manager").

Telephone: 0800 735 3408 (UK only) or +44 (0) 1534 845555 (international).

The Fund and the Manager are authorised and regulated by the Jersey Financial Services Commission.

Date of Production 02/07/2018

### What is this Product?

The Fund is a class of a non UCITS open ended investment company and there is no fixed term or maturity date. Fund launch date: 26/10/1978.

#### Objective and Policy

The objective is to seek to provide a regular income through investment in sterling denominated government and other public securities, principally those issued by the British Government and those which pay interest without deduction of tax to non-residents of the country of issuer.

The policy is to invest primarily in British Government securities ("gilts") in which persons resident outside of the UK may receive income not subject to UK taxation.

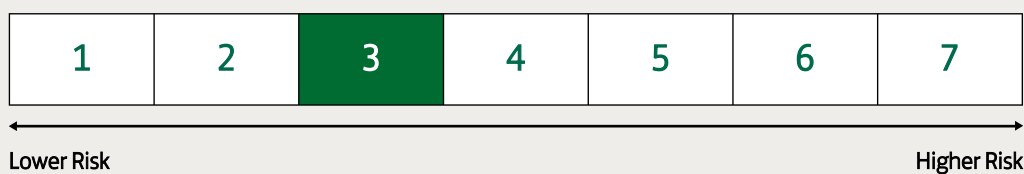
If interest rates rise, the fixed income earned from bonds (fixed interest securities) becomes less attractive to investors, so the demand for bonds may fall and their capital value may decrease. Bonds may be affected by changes in interest rates, inflation and any decline in the creditworthiness of the issuer.

This Fund may be suitable for you if you are willing to risk a loss to your capital and are looking for a medium to long term investment.

The Fund can be terminated without the agreement of shareholders, if the value of the Fund is less than £5,000,000 or currency equivalent for a period of four consecutive weeks. Shareholders will be given at least three weeks' written notice of any such action.

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

The summary risk indicator is a guide to the level of risk and volatility 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 the type of underlying assets in which the Fund invests.



The risk indicator assumes you keep the product for a minimum of five years.

The actual risk can vary significantly if you sell your shares at an early stage and you may get back less.

We have classified this product as 3, which is a medium low risk class. This rates the potential losses from future performance at a medium low level, and poor market conditions are unlikely to impact the amount you could get back.

The base currency of the Fund is sterling. The return from investing in a fund denominated in a currency other than the currency of your residence or domicile may be affected by currency fluctuations. Dividends are not guaranteed and the amount you receive may fluctuate.

The value of investments and the income from them can go down as well as up and cannot be guaranteed. This product does not include any protection from future market performance so you could lose some or all of your investment. Past performance is not an indicator of future performance.

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

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that 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 an estimate of future performance based on evidence from the past and are not an exact indicator. What you get will depend on how the market performs and for how long you keep the investment.

The stress 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.

Investment £10,000				
Scenarios		1 year	3 years	5 years (Recommended holding period)
Stress scenario	What you might get back after costs	£7,171	£7,481	£6,883
	Average return each year	-28.29%	-9.22%	-7.20%
Unfavourable scenario	What you might get back after costs	£9,303	£9,323	£9,523
	Average return each year	-6.97%	-2.31%	-0.97%
Moderate scenario	What you might get back after costs	£10,116	£10,781	£11,489
	Average return each year	1.16%	2.54%	2.81%
Favourable scenario	What you might get back after costs	£11,003	£12,470	£13,864
	Average return each year	10.03%	7.64%	6.75%

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your adviser 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 Lloyds Investment Fund Managers Limited is unable to pay out?

In the event of the default of the manager or custodian of the Fund, limited protection is provided under the Collective Investment Funds (Recognized Funds) (Compensation for Investors) (Jersey) Regulations, 1988. The maximum amount of compensation payable to any one investor is £48,000, but is subject to the total amount of compensation in any one year being limited to £5,000,000.

## 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.

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 5 years
Total costs	£328	£591	£865
Impact on return (RIY) per year	3.33%	1.96%	1.68%

## What are the costs? (continued)

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 and, what the different cost categories mean.

This table shows the impact on return per year

One-off costs	Entry costs	0.42%	The impact of the costs you pay when entering your investment.
	Exit costs	N/A	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.01%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.26%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	N/A	There are no performance fees payable for this product.
	Carried interests	N/A	

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

Investment in this Fund should be for a minimum of five years, preferably ten years, however you can normally buy or sell your shares in this Fund on any business day in Jersey by providing an instruction to the Manager.

Cooling off periods and cancellation rights (which provide a time period in which an investor can change their mind) do NOT apply to an investment in this Fund.

## How can I complain?

Complaints should be addressed to the Manager, PO Box 311, 11-12 Esplanade, St Helier, Jersey, JE4 8ZU or email [funds@lloydsbankinternational.com](mailto:funds@lloydsbankinternational.com), who will investigate all complaints.

If you are not satisfied with the Manager's response, you have the right to refer the complaint to the Channel Islands Financial Ombudsman, PO Box 114, Jersey, Channel Islands JE4 9QG. [www.ci-fo.org](http://www.ci-fo.org)

## Other relevant information

This document should be read in conjunction with the current prospectus and is issued by Lloyds Investment Fund Managers Limited. Registered Office: 11-12 Esplanade, St Helier, Jersey, Channel Islands, JE2 3QA.

The custodian is Link Corporate Services (Jersey) Limited.

It is a mandatory requirement that the latest available Key Information Document, current prospectus, latest annual and interim Report and Accounts and the Fund prices are available to the investor. These can be obtained from the Manager, PO Box 311, 11-12 Esplanade, St Helier, Jersey, Channel Islands, JE4 8ZU or on the website: [international.lloydsbank.com/products-and-services/investments/investment-key-documents](http://international.lloydsbank.com/products-and-services/investments/investment-key-documents). Documents are available in English only.

The tax legislation of Jersey and in your country of residence or domicile may have an impact on your personal tax situation.

Telephone calls may be monitored and recorded. Call costs may vary depending on your service provider.