

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 - 2021 Shares
ISIN: GG00BNNLWT35
Manufacturer: Fair Oaks Income Fund Limited
Contact Details: <https://www.fairoaksincome.com/>, or call +44 (0) 20 3530 3600 for more information

This key investor information is accurate as at 14 March 2024.

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, principally through income distributions. The investment policy of Fair Oaks Income Limited (the "Company") is to invest (either directly and/or indirectly through FOIF II LP ("Master Fund II") and/or FOMC III LP ("Master Fund III")) in US, UK and European 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. With respect to those assets of the Company attributable to 2021 Shares, the Company implements its investment policy by investing in Master Fund III.

On the basis of current market conditions, the PRIIP will target a NAV total return of between 12% and 14% per annum over the planned life of the Master Fund III.

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 to 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.

Investment Performance Information

The main drivers of the Fund's performance will be the investment manager's degree of success in selecting investments and the market value of those investments.

As the Fund invests across different jurisdictions, the return can also be affected by the macro-economic factors impacting on those economies.

This product does not track or compare itself to an index, benchmark, target or proxy. However, if you hold the product through an investment adviser/investment manager, that person may set an appropriate benchmark against which you could compare its performance.

What could affect my return positively?

Higher returns can be expected when the values of the investments selected by the investment manager grow. This may be driven by a wide range of positive macro-economic factors, especially those pertaining to the geographies of the underlying investments. Examples of such factors include strong and stable real economic growth, low and predictable interest rates and expansionary and reliable monetary and fiscal policy. The value of the Company can also increase when the exchange rates of the investments' currencies strengthen against the reference currency.

What could affect my return negatively?

Lower returns can be expected when the values of the investments selected by the investment manager fall. This may be driven by a wide range of negative macro-economic factors, especially those pertaining to the geographies of the underlying investments. Examples of such factors include declining or negative economic growth, high and volatile interest rates and contractionary and uncertain monetary and fiscal policy. The value of the Company can also decrease when the exchange rates of the investments' currencies weaken against the reference currency.

Under adverse market conditions, an investor could suffer significant and prolonged, or even permanent, loss of capital. The maximum possible loss is 100% of the money invested in the Company.

There is no minimum guaranteed level of capital to be returned.

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 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. They include potential exit penalties. 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.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods, assuming performance as per the moderate performance scenario in holding periods greater than one.

Investment Scenarios (\$10,000)	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	\$170	\$518	\$878
Impact on return (RIY) per year	1.70%	1.70%	1.70%

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.

One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.37%	The impact of the costs that we take each year for managing your investments and other administrative costs or operating costs.
Incidental costs	Performance fees	0.33%	The impact of the performance fees.

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

The figures presented in this document are based on past performance and are not a guarantee of future returns. The performance scenarios in the section "What are the risks and what could I get in return?" are presented in accordance with Financial Conduct Authority's PRIIP Regulatory Technical Standards.

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 45 and 60 of the prospectus. Additional information on the Risk Factors can be found on pages 13-26 of the prospectus.

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