

## Key Information Document

### Purpose

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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

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**Name:** Buffettology Smaller Companies Investment Trust PLC - Ordinary Share

**Name of PRIIP Manufacturer:** Sanford DeLand Asset Management Ltd

**ISIN:** GB00BMDFG969

**Contact details:** www.buffettologyIT.co.uk or +44 (0)161 233 8696

**Competent authority:** The Financial Conduct Authority

**Date of production of this document:** 30<sup>th</sup> September 2020

### What is this product?

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**Type:** Buffettology Smaller Companies Investment Trust PLC (the “Company”). The Company is a newly established, externally managed closed-ended investment trust company incorporated on 31 July 2020 in England and Wales with registered number 12782935, with an indefinite life and registered as an investment company under section 833 of the Companies Act 2006.

**Objectives:** The Company’s investment objective is to seek to achieve an annual compounding rate of return over the long term, defined as 5-10 years, which is superior to the Numis Smaller Companies plus AIM (Ex Investment Trust) Index, predominantly through the investment in the securities of companies listed or traded in the United Kingdom.

The Company intends predominantly to invest in shares issued by companies listed or traded in the United Kingdom with a market capitalisation (at the time of investment) of between £20 million and £500 million.

Investments will be made by applying the methodology of “Business Perspective Investing”, starting from the premise that there is no philosophical distinction between part ownership (i.e. buying shares in a company) and outright ownership (i.e. buying the business in its entirety). In combination, the Company will seek to invest in the securities of companies where such securities can be acquired at a fair price in relation to the estimated intrinsic worth of the business. When making an investment, investee companies are expected to exhibit the following characteristics:

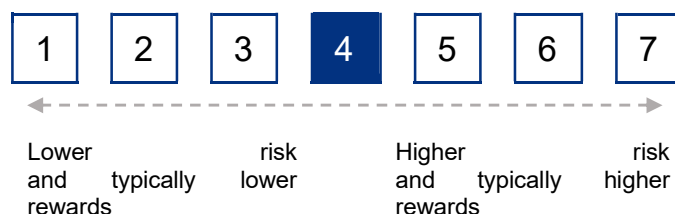
- enduring franchise with pricing power and an Economic Moat;
- consistent operational performance with a proven business model;
- high and sustainable returns on capital employed;
- strong free cash flow;
- a strong balance sheet; and
- managers who are focused on delivering shareholder value.

**Intended investor:** Investors in the Company are expected to be retail investors and investors who meet the criteria of professional clients and eligible counterparties who can assess the merits and risks of an investment in the Ordinary Shares and who have sufficient resources both to invest in potentially illiquid securities and to be able to bear any losses (which may equal the whole amount invested).

**Maturity:** There is no maturity date and the manufacturer cannot choose to terminate. However, during the fifth year and every third year thereafter the Company’s board of directors intend to provide shareholders with an exit opportunity to elect to realise the value of all or some of their Ordinary Shares at the applicable Net Asset Value per Ordinary Share less costs.

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

### RISK INDICATOR



**This risk indicator assumes you keep the product for 5 years which is the recommended holding period. The actual risk can vary significantly if you redeem at an early stage and you may get back less. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back.**

The summary risk indicator is a guide to the level of risk of the Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the market or because we are not able to pay you. We have classified this Product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the amount you could get back. This Product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay what is owed, you could lose your entire investment.

### PERFORMANCE SCENARIOS

Investment of £10,000		Recommended holding period		
Scenarios		1 year	3 years	5 years
<b>Stress Scenario</b>	What you might get back after costs	£1,620	£4,827	£4,611
	<i>Average Return each year</i>	-83.80%	-21.56%	-14.34%
<b>Unfavourable Scenario</b>	What you might get back after costs	£9,300	£10,082	£11,384
	<i>Average Return each year</i>	-7.00%	0.27%	2.63%
<b>Moderate Scenario</b>	What you might get back after costs	£11,153	£13,768	£16,997
	<i>Average Return each year</i>	11.53%	11.25%	11.19%
<b>Favourable Scenario</b>	What you might get back after costs	£13,210	£18,570	£25,065
	<i>Average Return each year</i>	32.10%	22.92%	20.18%

This table shows the money you could get back over the next 5 years, under different scenarios, assuming that you invest in £10,000 from the outset. 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 on how the value of this investment varies, and are not an exact indicator. What you get back will vary depending on how the market performs and 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. 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.

## What happens if Sanford DeLand Asset Management Limited is unable to pay out?

There is no direct financial exposure for shareholders of the Company to Sanford DeLand Asset Management Limited. Liquidity in the Ordinary Shares will be provided through the Company's listing on the premium segment of the Official List of the FCA and admission to trading on the main market of the London Stock Exchange plc and is dependent on buyers and sellers.

As a shareholder of the Company, you will not be entitled to compensation from the Financial Services Compensation Scheme or any other compensation scheme in the event that the Company were unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay amounts due to you on a winding-up. No guarantee scheme applies to an investment in the Company.

## 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.

## 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 of £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 of 5 years
Total Costs	£189	£710	£1,487
Impact on return (RIY) per year	1.89%	1.88%	1.88%

## COMPOSITION OF COSTS

The table below shows:

- 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

This table shows the impact on return per year			
<b>One-off costs</b>	Entry costs	0.00%	The impact of the costs you pay when entering your investment. (This is the most you could pay and could pay less). The impact of costs already included in the price.
	Exit costs	0.00%	The impact of costs of exiting your investment when it matures.
<b>Ongoing costs</b>	Portfolio transaction costs	0.65%	The impact of the costs of us buying and selling underlying investments for the product. Transaction costs are expected to reduce following the deployment of the proceeds of the IPO.
	Other on-going costs	1.23%	The impact of the costs that we take each year for managing your investment.
<b>Incidental costs</b>	Performance fees	0.00%	The impact of the performance fee. We take these from your investment if the Product outperforms its benchmark.
	Carried interests	0.00%	The impact of carried interests.

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

**Recommended holding period:** 5 years. The Ordinary Shares are designed to be held over the long term and may not be suitable as short term investments. There is no guarantee that any appreciation in the value of the Company's investments will occur and investors may not get back the full value of their investments. The value of Ordinary Shares and the income derived from them (if any) may go down as well as up. The Company does not have a fixed winding up date and therefore shareholders will only be able to realise their investment through the market. Although the Ordinary Shares are traded on the main market, it is possible that there may not be a liquid market in the shares and investors may have difficulty selling them. Accordingly, investors may be unable to realise their shares at the quoted market price (or at the prevailing net asset value per share), or at all. You may sell your investment within the recommended holding period without penalty.

## How can I complain?

Complaints should be addressed to Sanford DeLand Asset Management Limited, by writing to Sanford DeLand Asset Management Limited, 111 Piccadilly 8th Floor, 111 Piccadilly, Manchester, England, M1 2HY.

## 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.buffettologyIT.co.uk](http://www.buffettologyIT.co.uk).