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KAMES
CAPITAL

Kames Capital ICVC Supplementary Information Document



Kames Capital ICVC Supplementary Information Document

This document is designed to provide, in a clear and concise way, the important information that you will need to make your investment decision.

This document should be read in conjunction with an up-to-date Key Investor Information Document (KIID) for the share class of each fund in which you wish to invest.

You should read both documents carefully so that you understand and are comfortable with what you are buying, and then keep them safe for future reference. You should always ensure that you have up-to-date copies of both documents before you invest.

1. Important information

Cancellation rights

You may have the right to cancel your investment in the following circumstances. You will have 14 days (the 'Cancellation Period') from the date of receipt of the later of either:

- (a) Key Investor Information Document (KIID)
- (b) Your contract note (or equivalent electronic confirmation) and notice of right to cancel

To cancel your investment.

If you cancel your investment within the Cancellation Period we will return all charges paid by you in respect of it. However, if the value of your investment has fallen within the Cancellation Period you may not receive back the full amount you invested.

If you wish to cancel your investment but fail to exercise your right to cancel within the Cancellation Period we have the right not to accept your notice of cancellation. Where we do accept your notice of cancellation you will only receive back the market value of your investment at the date your notice is received. For subscriptions under the Regular Savings Plan, only the initial subscription attracts the cancellation right. If you decide to vary the level of subscriptions under the Regular Savings Plan, no new right to cancel will apply.

The notice informing us of your intention to cancel should be sent by post to Kames Capital plc, Ingrave Road, Brentwood, Essex, CM15 8TG.

If you wish to cancel an investment within an ISA, you may do so by either transfer to another ISA manager or by requiring the proceeds to be returned to you. Consequences of cancellation of an ISA are set out in the ISA terms and conditions.

Queries or complaints

If you require further information or wish to complain about any aspect of the service you have received please contact Kames Capital plc, Ingrave Road, Brentwood, Essex, CM15 8TG or telephone 0800 45 44 22.

If your complaint is not dealt with to your satisfaction, you can refer it to: The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR Telephone: 0300 123 9 123 Fax: 020 7964 1001.

Making your complaint will not prejudice your right to take legal proceedings.

Compensation

You may be able to get compensation from the Financial Services Compensation Scheme (FSCS). The scheme will generally not cover 100% of your loss. The maximum level of compensation you can receive from the Scheme for a claim against an investment firm is £50,000 per person.

Further information on compensation arrangements is available on request from Kames Capital plc and from the Financial Conduct Authority and the Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU, telephone numbers 0800 678 1100 or 020 7741 4100.

2. General

This Supplementary Information document is supplied in English which is the language in which all communications will be made.

The ACD will manage the Company in accordance with its Instrument of Incorporation, its Prospectus, the Open-Ended Investment Companies Regulations 2001 ('the Regulations') as amended from time to time and the applicable rules prescribed by the FCA ('the Rules'). In the event of any inconsistency the terms of the Regulations and Rules will prevail.

Under the FCA client categorisation rules you will be categorised as a "**Retail Client**" unless we otherwise agree to a different categorisation with you.

For the purpose of the Supplementary Information Document:

'ACD', means Kames Capital plc the authorised corporate director of the Company;

'Class', in relation to Shares, will mean all of the Shares related to a single Fund or a particular class of Shares related to a single Fund, according to the context;

'Company' will mean Kames Capital ICVC, having its head office at Kames House, 3 Lochside Crescent, Edinburgh, EH12 9SA, which is an open-ended investment company in terms of the Rules and the Regulations;

'Dealing Day' will mean Monday to Friday (except for, unless otherwise directed by the ACD, the last working day before Christmas and a bank holiday in England and Wales and any other day at the discretion of the ACD);

'Depository' will mean The National Westminster Bank plc, the Depository of the Company;

'Fund' will mean a Fund of the Company as determined from time to time by the ACD, to which specific assets and liabilities may be allocated and which is invested in accordance with the investment objectives applicable to such Fund;

'Register', will mean the register of Shareholders of the Company;

'Scheme Property', will mean the property of the Company to be given for safe-keeping to the Depository in accordance with the Rules;

'Share' will mean a Share in the Company including larger and smaller denomination Shares, with each smaller Share representing a one ten-thousandth part of a larger Share;

'Shareholder' will mean that person or persons whose name(s) and address(es) appear on the open-ended investment company (OEIC) application form and any additional Shareholder application form ('the Application Form')

'Share Price' will mean the price of a Share of each Class in any Fund calculated by reference to the value of the property of the Fund to which it is linked as at the relevant Valuation Point;

'Valuation Point' will mean 12 noon on any Dealing Day.

In this Supplementary Information Document, unless the context sets out something different, words in the singular include the plural and vice versa.

Words and expressions used in this Supplementary Information Document will bear the same respective meanings as those used in the Prospectus, unless otherwise defined here in or the context requires otherwise.

3. Investment powers

Subject to their investment objectives and policies, each Fund may use all the investment and borrowing powers which apply to a securities company as set out in the Rules.

4. Minimum Investment, Holding and Redemption Levels

For lump sum investments:

(a) Class 'A':

- i. The minimum initial investment is £500 per Fund;
- ii. The minimum subsequent investment is £100;
- iii. The minimum partial redemption is £100; and
- iv. The minimum holding is £250 per Fund.

(b) Class 'B' Shares:

- i. The minimum initial investment is £2,000,000 per Fund;
- ii. The minimum subsequent investment is £10,000;
- iii. The minimum partial redemption is £10,000; and
- iv. The minimum holding is £1,000,000 per Fund.

(c) Class 'C' Shares:

- i. The minimum initial investment is £1,000,000 per Fund;
- ii. The minimum subsequent investment is £20,000;
- iii. The minimum partial redemption is £20,000; and
- iv. The minimum holding is £200,000 per Fund.

(d) Class 'D' Shares:

- i. The minimum initial investment is £250,000 per Fund;
- ii. The minimum subsequent investment is £5,000;
- iii. The minimum partial redemption is £5,000; and
- iv. The minimum holding is £125,000 per Fund.

(e) Class 'E' Shares:

- i. The minimum initial investment is €750 per Fund;

- ii. The minimum subsequent investment is €200;
- iii. The minimum partial redemption is €200; and
- iv. The minimum holding is €400 per Fund.

(f) Class 'G' Shares:

- i. The minimum initial investment is £2,000,000 per Fund;
- ii. The minimum subsequent investment is £10,000;
- iii. The minimum partial redemption is £10,000; and
- iv. The minimum holding is £1,000,000 per Fund.

For the Regular Savings Plan:

(a) Class 'A' Shares:

- i. The minimum investment is £50 per month per Fund;
- ii. The minimum subsequent investment is £100;
- iii. The minimum partial redemption is £100; and
- iv. The minimum holding is £250 per Fund.

(b) Class 'B' Shares:

- i. The minimum investment is £10,000 per month per Fund;
- ii. The minimum subsequent investment is £10,000;
- iii. The minimum partial redemption is £10,000; and
- iv. The minimum holding is £1,000,000 per Fund.

(c) Class 'C' Shares:

Not applicable for regular savings.

(d) Class 'D' Shares:

- i. The minimum investment is £5,000 per month per Fund;
- ii. The minimum subsequent investment is £5,000;
- iii. The minimum partial redemption is £5,000; and
- iv. The minimum holding is £125,000 per Fund.

(e) Class 'E' Shares:

Not applicable for regular savings.

(f) Class 'G' Shares:

Not applicable for regular savings.

The availability of all Shares is set out in Appendix D of the Prospectus.

5. Conflicts of Interest

The ACD may in the course of business have potential conflicts of interest with the Company or a particular Fund. The ACD will have regard in such event to its obligations to the Company and to act in the best interests of the Company so far as practicable, having regard to its obligation to other clients when undertaking any investment where potential conflicts of interest may arise. A copy of our conflicts of interest policy is available upon request from Kames Capital plc, Ingrave Road, Brentwood, CM15 8TG (Telephone 0800 45 44 22).

6. Dealing in Shares

a. Shares may normally be dealt in with the ACD between 8.30 am and 5.30 pm on any Dealing Day (or other times at the ACD's discretion). Shares may be bought through intermediaries or direct from the ACD as principal or agent. An intermediary who recommends Shares in the Company to a Shareholder or potential Shareholder may be entitled to receive commission from the ACD subject to the provisions set out in Intermediary Terms of Business available on our website.

b. Requests to buy Shares may be made in writing or, at the ACD's discretion, by telephone or by fax to the ACD's dealing department on any Dealing Day:

- i. For telephone and fax deals received prior to 12 noon on any Dealing Day, the Shares will be issued at a price based on that day's valuation: for deals placed after 12 noon, the Shares will be issued at a price based on the valuation at the next Dealing Day;
- ii. For postal deals, the Shares will be issued at a price calculated by reference to the next Valuation Point following receipt of the Application Form. Where the application for Shares is received before the Valuation Point on a Dealing Day, the Shares concerned will be issued at a price based on that day's valuation and Shares to satisfy an application received after that time, or on a day which is not a Dealing Day, will be issued at a price based on the valuation made on the next Dealing Day;
- iii. The ACD has the right to reject any application for Shares in whole or in part, and in this event the ACD will return any monies sent, or the balance of such monies at the risk of the shareholder.

c. Instructions for the sale of Shares may be given in writing or, at the ACD's discretion, by telephone or by fax to the ACD's dealing department. The ACD may act as principal or agent:

- i. For telephone and fax deals received prior to 12 noon on any Dealing Day, the Shares will be sold at a price based on that day's valuation: for deals placed after 12 noon, the Shares will be sold at a price based on the valuation at the next Dealing Day;
- ii. Where properly completed documentation is received by post, the Shares will be sold at a price calculated by reference to the next Valuation Point following receipt of the instruction. Where the instruction is received before the Valuation Point on a Dealing Day, the Shares concerned will be sold at a price based on that day's valuation and for instructions received after that time, or on a day which is not a Dealing Day, Shares will be sold at a price based on the valuation made on the next Dealing Day;
- iii. The ACD has the right, at all times, to require a form of renunciation to be completed. If this is necessary, it will be issued with the contract note;

iv. The ACD may withhold any proceeds of sale or delay a transfer where satisfactory evidence of identity has not previously been obtained, under anti money laundering regulation;

v. A Shareholder will not be entitled to realise part only of his holding without the approval of the ACD if by doing so his holding would be reduced to less than the minimum permitted holding in respect of each Class of each Fund as set out in 4. 'Minimum Investment, Holding and Redemption Levels' above.

d. We do not accept instructions by email.

7. Regular Savings Plan ('RSP')

In order to participate in the RSP:

A duly completed Application Form must be received by the ACD's dealing department on or prior to the 22nd day of the month prior to the month in which the RSP will commence. The RSP will commence on the first working day of the following calendar month.

a. Monthly contributions to purchase Shares are collected by direct debit on the first working day of each month. These will be invested at the price calculated at the next valuation point on the day on which the direct debit operates. Where this falls on a Saturday, Sunday or public holiday, the price will be calculated on the first Dealing Day of the month in question.

b. Where payments are not made to the RSP for more than three consecutive months and the total value of Shares in the RSP is less than the minimum which the ACD requires then the ACD has the right to buy back the Shares in the RSP at the price then applicable, close the account and return the value of the proceeds to the Shareholder

c. Regular investment holidays are permitted without penalty at any time at the written request of the Shareholder. Requests must be received by the ACD at least 5 working days before the next payment to be actioned from that payment date. The ACD has the right as set out in 7(b) above.

d. The ACD will continue to debit monthly contributions from the Shareholders bank account until written notice is received from the Shareholder to the contrary.

8. Switching Shares

- a. Shareholder in a Fund may at any time switch all or some of their Shares of one Class linked to a Fund for Shares of another Class, whether linked to the same or a different Fund.
- b. A Shareholder wishing to switch Shares should apply either in writing to the ACD or, at the ACD's discretion, by telephone or by fax to the ACD's dealing department, after which written confirmation signed by all Shareholders must be sent to the ACD's dealing department.
- c. If a switch would result in the Shareholder holding a number of Shares of the original Class of a value which is less than the minimum holding in the Class concerned, the ACD may, if it thinks fit, convert the whole of the Shareholders holding of Shares to the new Class or refuse to effect any switch of the original Shares.
- d. No switch can be made during any period when the right of the Shareholder to require redemption of their Shares is suspended.

9. Income distributions

Where investors are entitled to income distributions these will be paid directly to their bank account. Where bank account details are not provided, all income payments will be reinvested automatically.

10. Regular Sales ('withdrawals')

Regular sales can be requested on a monthly, quarterly, half yearly or annual basis. Requests must be made in writing to the ACD's dealing department:

- a. The amount of the withdrawal can be specified as a percentage of the original investment or as a fixed monetary amount;
- b. The minimum for monthly withdrawal is £50 per month;
- c. A Shareholder will not be entitled to make such withdrawals without the approval of the ACD if by doing so his holding would be reduced to less than the minimum permitted holding in respect of each Class of each fund as set out in 4. 'Minimum Investment, Holding and Redemption Levels' above.

11. Transfer of Shares

Shares may be transferred to another person upon receipt by the ACD of a duly completed

Stock Transfer Form, which should be sent to the ACD at the address detailed in 24. 'Correspondence' below.

12. Restrictions and Compulsory Transfer and Redemption

- a. The ACD may from time to time impose such restrictions as it may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any person in breach of the law or governmental regulation of any country or territory or in circumstances which would result in the Company incurring any liability to taxation or suffering any other adverse consequence.

- b. Where it comes to the attention of the ACD that Shares are held in the circumstances described in 12(a) above, the ACD may give notice to the Shareholder requiring the transfer of such Shares to a person who is qualified or entitled to own them or the switch, where possible, of the Shares for other Shares in the Company the holding of which would not fall within the circumstances described in 12(a) above. Where such a transfer or switch has not been undertaken within 30 days after the notice has been served the ACD will take this as giving notice that the Shares be redeemed in accordance with the Rules.
- c. If the Company becomes aware that the holder of Shares in respect of which income is allocated or paid without deduction of UK income tax has failed or ceased to be entitled to have income so allocated or paid, the Company will treat the Shareholder concerned as if he had served on the Company a switching notice, as described in 8. 'Switching Shares' above, requiring switching of all such Shares for Shares in respect of which income is allocated or paid net of tax to the Class or Classes which the ACD most nearly equates to the Class or Classes of gross paying Shares held by the Shareholder.
- d. A Shareholder who becomes aware that their holding is affected in a manner described in 12(a) or 12(c) above will immediately, unless a notice has already been received from the ACD, transfer all Shares to a person qualified to own them or, where possible, switch the Shares for other Shares in the Company the holding of which would not fall within the circumstances described in 12(a) or 12(c) above or give a request in writing to the ACD to redeem the Shares in accordance with the Rules.
- e. A Shareholder who ceases to be entitled to hold gross paying Shares must, without delay, give notice to the Company who will, upon receipt of the notice, switch all gross paying Shares owned by the Shareholder for net paying Shares of the Class which, in the opinion of the ACD, most nearly equates to the Class of gross paying Shares held by the Shareholder.

13. Suspension of Dealings in the Company

The ACD may, with the prior approval of the Depositary, or must if the Depositary so requires, and if there is good reason in the interests of the Shareholders or potential Shareholders, suspend the issue, cancellation, sale and redemption of Shares. This suspension may be restricted to any single Fund, or Class within that Fund.

Dealings in Shares in the relevant Fund or Class will commence on the next Valuation Point following the end of the suspension at the Share price calculated at that Valuation Point.

14. Advice to Shareholders

No advice will be given to the shareholder by the ACD in relation to the Shares.

15. Periodic Statements

The ACD will provide Shareholders with statements every six months for the periods to 31 March and 30 September ('the relevant dates') in each year (the period between one Relevant Date and the next being 'the Relevant Period').

The statements will include:

- a. A valuation of the shareholding based on the Share Prices on the relevant dates which will include the composition of and individual and aggregate values of shareholdings; and
- b. Details of all investments retained, sales and purchases affected during the relevant period in respect of shareholdings.

The statement will not include any measure of performance.

16. Fees and Expenses

(a) The following fees and expenses (including any amounts of VAT) may payable by the Shareholder in respect of their shareholding:

- i. An initial charge, as indicated in the relevant fund specific features document, applied to your subscription amount either through an initial investment, subsequent investment(s) or any other sums transferred to the relevant Fund;
- ii. An annual management charge which is paid out of each Fund will be deducted from the aggregate value of Shares in issue. The annual charge for each Fund varies – the Shareholder should refer to the Fees and Expenses section of the Prospectus;
- iii. Other expenses including Depositary fees, custody fees and other administration expenses will be paid out of each Fund. In addition the costs of dealing in the underlying assets of the Fund are deducted directly from the property of the Fund;
- iv. A fee of £3 (plus VAT thereon) for each additional statement issued over and above those issued in terms of 15. 'Periodic Statements';
- v. A fee of £3 for any repurchase proceeds effected at the request of the Shareholder by way of direct credit into the Shareholders bank account.

vi. Where the Shareholder effects any switch in terms of 8. 'Switching Shares' the ACD may at its sole discretion apply a charge of up to 1.5% of the value of shares being switched if switches are in excess of 5 in a calendar year.

b. Where Shares in a Fund are redeemed, transferred to the ACD or sold for value to a third party the Company will be liable to stamp duty reserve tax ('SDRT') at a rate of 0.5% of the market value of the Shares. It is the ACD's intention to charge the SDRT arising against the assets of the relevant Fund, however, it has the right to charge an SDRT provision to the transferee in the case of third party transfers.

c. i. In fixing a new level or amount of the charges in (a)(i) and (a)(v) above, the ACD will fix a level or amount which it considers in good faith is not excessive having taken into account increases in costs, its profit margin (being one which is reasonably in line with the market for these types of contract generally), the underlying value of Shares, any requirements of legislation or any regulatory body and the time interval from the last alteration to the specific charge. Any increase in the charges in (a)(ii) and (b) above are at the sole discretion of the ACD;

ii. The charges in (a)(iv) and (a)(v) above may be increased by such amount as represents, at the time the increase is applied, the proportionate increase in the index commonly known as the Index of National Average Earnings (or, in the event that this index ceases to be published, such other index of earnings in the United Kingdom as the ACD may reasonably and in good faith select for this purpose) for the period between 6 April 1999 and the date upon which any such increase is applied;

iii. At the time when the increase described in (ii) above is applied, the ACD may decide to increase any one or more of the charges or limits by the full amount of the allowable increase or such other lower figure;

d. The charges in (a)(iv) and (a)(v) above will be recovered by way of cancellation of such Shares within the shareholding as is necessary to pay for the charge.

Where you wish to invest a specific amount of money this amount will represent the total cost payable by you.

Where you wish to purchase a specific number of Shares, the total price to be paid by you for your investment cannot be determined in advance. However, it is calculated on the following basis:

On purchase of 1 share, the amount payable by you will be equal to the aggregate of: The share price¹ + Any initial charge²

Notes:

1. Share price means the price of a Share in the Fund calculated by reference to the value of the property of the Fund to which it is linked as at the relevant Valuation Point.
2. The initial charge for each Fund is detailed in the share class specific Key Investor Information Document (KIID).

Other expenses which may be charged to the Fund are set out in full in the Prospectus of the Company.

You may be liable to other taxes and costs which are not paid through or imposed by the ACD.

Specific risks relating to each of the Funds are detailed in the Key Investor Information Document (KIID) and the Prospectus for the company.

The daily price of Shares of each Fund depends on fluctuations in the financial markets and is not within our control. The past performance of a Fund is not an indicator of future performance.

17. Title to Shares

The title to registered Shares in the Company is evidenced by entry on the Register. Details of a Shareholder's entry on the Register are available from the ACD on request, from Kames Capital plc, Ingrave Road, Brentwood, CM15 8TG (Telephone 0800 45 44 22).

18. Client Accounts

All monies and any other cash which constitutes client's money under the Rules shall (except in so far as the Shareholder agrees to the contrary) be held in a non-interest bearing sterling deposit account at the Royal Bank of Scotland plc, by the ACD or its nominee on behalf of the Shareholder. Balances on any such accounts may include the monies of other individuals participating with the ACD in holding Shares.

19. Report and Accounts

Annual reports of the Company will normally be published by 30 November and half- yearly reports will be published by 31 March each year. Shareholders may elect to receive the full Company Report and Accounts by request in writing to the address in 24, 'Correspondence' below.

20. Shareholders' Voting Rights

At a meeting of Shareholders, on a show of hands every Shareholder who is present in person or is present by its properly authorised representative has one vote. On a poll vote, a shareholder may vote either in person or by proxy.

21. Commencement of relationship with ACD

Your relationship with the ACD shall commence upon provision by the ACD of a contract note or an electronic confirmation, or in the case of a transfer of Shares in terms of 11. 'Transfer of Shares', the Stock Transfer Form duly completed by the Shareholder.

Termination of your relationship with the ACD will be governed in accordance with the Prospectus for the Company or the terms of any other agreement we have with you.

22. Delegation by the ACD

The ACD will satisfy himself that any person to whom it delegates any of its functions or responsibilities is competent to carry out those functions or responsibilities.

23. Correspondence

All notices (which must be in writing) and all other documents and correspondence should be sent by the Shareholder to the ACD at Kames Capital plc, Ingrave Road, Brentwood, CM15 8TG.

Any letter or document from the ACD sent by post will be deemed to have been served on the second Business Day following that in which it is posted and service will be sufficiently proved if there is evidence that the envelope containing the letter or document was properly addressed, stamped and posted.

24. Shareholder's responsibility regarding payment declarations

The Shareholder, where it has declared that it (or, where the Shareholder acts as nominee, the beneficial owner) is entitled to receive gross distribution payments, will reimburse Kames Capital plc against any loss, expenses or costs including any taxation, withholding interest or penalties due to HM Revenue and Customs, in connection with any error, or fraud on behalf of the Shareholder in making such declaration.

25. Risk Warnings

The Shareholder should appreciate that investment markets may be subject to fluctuations which might cause the value of the Shareholding and any income resulting from it to fall as well as rise. Accordingly, the value of shareholdings is not guaranteed by the ACD and the Shareholder may not always receive the amount of subscriptions invested.

The Shareholder should appreciate that investments in specialist markets or sectors, or in Funds with concentrated portfolios, will carry a greater risk of volatility. The Shareholder should refer to the Key Investor Investment Document (KIID) and the Prospectus for the Company for further details, and refer to a financial adviser.

Although each Fund so far as possible will be treated as bearing the liabilities, expenses, costs and charges attributable to it, if the assets are not sufficient the ACD may re-allocate assets, liabilities, expenses, costs and charges between the other Funds in a manner which is fair to the Shareholders of the Company generally.

Tax regulations and concessions are not guaranteed and can change at any time; their value to a Shareholder will depend on the Shareholders individual circumstances.

The ACD will not be liable to the Shareholder for any losses occasioned by the acts or omissions of the ACD or any of its agents or nominees or their employees except where the same can be attributed to negligence, fraud or bad faith.

As OEICs are required to comply with the Regulations, this means the ACD may be required to transfer investments out of certain funds and the terms of this Supplementary Information Document may be changed if the Regulations are amended.



Contact details

website: kamescapital.com
email: help@kamescapital.info
telephone: 0800 45 44 22

Our investor helpdesk is open from 8.30am to 5.30pm (Monday to Friday).

To improve customer service, and for training purposes, calls may be recorded.

Kames Capital plc
Ingrave Road
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