

# Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## **DIGITAL FUNDS Market Neutral Europe (a sub-fund of DIGITAL FUNDS) - class Acc EUR** **(ISIN: LU2092197867)**

This sub-fund is managed by J.Chahine Capital.

### Objectives and investment policy

DIGITAL FUNDS Market Neutral Europe is an active long-short market neutral European equity fund whose objective is to generate regular positive returns, uncorrelated in the long term to the European equity market. Short exposure on equities is done by financial derivative instruments, including over-the-counter (OTC) derivatives.

Long exposure on equities can be done by direct investment or by financial derivative instruments, including over-the-counter (OTC) derivatives, or by a mix of both.

The Sub-Fund is seeking long and short exposure to financial instruments from the EU members states, the United Kingdom, Norway and Switzerland, followed by at least 3 analysts and whose market capitalisation exceeds EUR 3 000 M.

The Sub-Fund may invest in equities, CFDs (Contracts For Difference), equity swaps or other equity derivatives. The Sub-Fund may be long or short in listed Futures on indices or sector indices. It is expected that financial derivative instruments will be used to construct synthetic long and short positions.

The amount of cash corresponding to the long equity exposure achieved by using financial derivative instruments may be invested in money-market and other short-term debt instruments up to 100% of the Sub-Fund's assets.

The Sub-Fund may enter into transactions which are undertaken for purposes other than hedging provided those transactions have no negative effect on the quality of the investment policy.

The Sub-Fund will target a net exposure to the equity markets close to zero.

The Sub-Fund will apply 2 main sub-strategies managed with proprietary quantitative models : a market-neutral sector allocation strategy using top-down signals to select long and short industry sectors, and a market-neutral, sector-neutral stock selection strategy designed to select both long and short equities in each industry sector using bottom-up signals.

The €STR will serve as a reference benchmark solely for the calculation of performance fees. Due to the active nature of the management process and the full freedom of investment, the Sub-Fund's performance profile may deviate significantly from that of the €STR.

The Sub-Fund will use the absolute Value at Risk (VaR) approach to monitor and measure the risk at all times.

Investors may demand to redeem their units every normal bank business day in Luxembourg.

The income in respect of an accumulation share class is not distributed but is retained in the sub-fund.

**Recommendation: This fund may not be appropriate for investors who plan to withdraw their money within 5 years.**

### Risk and reward profile



#### More about this rating

- The risk category is based on return volatility over the last five years. The method used for this estimation depends on the type of fund.
- Historical data may not be a reliable indication for the future.
- The risk category shown is not guaranteed and may vary over time.
- The lowest category does not mean 'risk free'.

#### Why is this fund in Category 4?

The fund is an absolute return fund investing long and short in a European all cap equity universe diversified across various sectors. It may be subject to high fluctuations in value. It may hold mid stocks that can be more volatile than blue-chip stocks. The risk category is therefore driven by mid and large cap stock fluctuations.

#### Further material risks:

- A portion of the fund is invested in less liquid instruments whose prices could fluctuate in certain market conditions
- No Capital Guarantee exists for this product so investors can lose the whole of their investment
- Operational risk inherent in operating this fund (mainly potential valuation and transaction processing failures) is borne by the Fund Management Company which is governed and supervised by independent functions and external auditors as well as regulators
- Use of over-the-counter instruments exposes the fund to potential counterparty default risk.

## Charges

The charges you pay are used to pay the costs of running the sub-fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest	
Entry charge	5.00%
Exit charge	0.00%
Conversion charge	0.50%
This is the maximum that might be taken out of your money before it is invested / before the proceeds of your investment are paid out.	
Charges taken from the fund over a year	
Ongoing charges	1.65%
Charges taken from the fund under certain specific conditions	
Performance fee	15.00%
The Management Company can receive a performance fee in case the share class is outperforming its benchmark, even if its absolute performance is negative. As at 30/09/2021, the performance fee represented 0.00% of the fund.	

The **entry charge** and **conversion charge** shown are **maximum** figures. In some cases you might pay less – you can find this out from your financial adviser.

These **ongoing charges** are the actual charges over the last 12 months. They can vary from year to year. They do not include:

- Portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling units in another collective investment undertaking.
- Performance fees.

Please refer to the fund's prospectus, which is available at **www.chahinecapital.com**, for detailed information about charges, the methodology for calculating the performance fee and concrete examples of its impact on the share class net performance.

## Past performance



### Performance in the past is not a reliable indicator of future results

The chart shows the class's investment returns calculated as percentage year-end over year-end change of the class net asset value. In general any past performance takes account of all ongoing charges, but not the entry charge. The share class being managed against a benchmark, its return is also shown. The sub-fund was launched in 2020. The class was launched in 2020.

The past performance is calculated in EUR.

The benchmark used since inception date is the €STR.

## Practical information

### Depository

UBS Europe SE, Luxembourg Branch

### Further Information

Information pertaining to DIGITAL FUNDS, its sub-funds and share classes, as well as the current sales prospectus and most recent annual or semi-annual report, may be obtained free of charge in various languages:

- online under **www.chahinecapital.com**

- from the central fund manager or from the Depository.

The details of the up-to-date remuneration policy including, but not limited to, a description of how remuneration and benefits are calculated, can be found on the website of the Management Company (**www.chahinecapital.com**).

The share price is published on each working day under **www.chahinecapital.com**.

The currency of the share class is EUR.

Existing investors may switch between sub-funds of the umbrella and/or classes at the price indicated as conversion charge indicated above.

### Tax Legislation

The fund is subject to the tax laws and regulations of Luxembourg. Depending on your own country of residence, this might have an impact on your investment. For further details you should consult a tax adviser.

### Liability Statement

J.Chahine Capital may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus of the fund.

This Fund is authorised in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier (CSSF).

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This key investor information is accurate as at 27/01/2022.