

Key Information Document

smn Diversified Futures Fund 1996



>> 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: **smn** Diversified Futures Fonds 1996
ISIN: LU0070804173
Name of PRIIP manufacturer: **smn** Investment Services GmbH
Competent authority for the PRIIP manufacturer in matters relating to the basic information sheet: Finanzmarktaufsicht (FMA)
For more information, call/email:: office@smn.at / +43 1 513 25 51

Date of creation: 12/29/2023

You are about to purchase a product that is not simple and may be difficult to understand.

>> What is this product?

Type

The **smn** Diversified Fund is a so-called Managed Futures Fund. Managed Futures is the professional trading of futures contracts. Managed Futures Funds are generally characterized by the use of technical trading systems. The systems benefit from the early detection of upward and downward trends in the financial markets and can thus profit from rising and falling prices.

Term

The fund is established for an indefinite period. Thus, an investment in the fund does not require a specific maturity date. The investor may buy or sell the units on a weekly basis. Additionally, the investor can also change his position at the end of the month, provided that this is not a Friday and the written subscription requests are received at the registered office of the company no later than 3 banking days prior to the respective valuation day by 24:00 (Luxembourg time). The recommended holding period is 5 years. **smn** expressly reserves the right to demand the return of issued shares if the acquisition of shares by individuals would violate the law, or the requirements of a country, or a government or authority. The redemption will then be made at the net asset value less a discount of 0.5% (see section 3.1.10. of the [Prospect](#)).

Objectives

The fund aims for dynamic capital growth. The fund invests broadly diversified across different asset classes in a portfolio of globally traded liquid futures and forwards. This enables performance that is largely independent of traditional investment instruments. Derivative financial instruments are also used to hedge foreign currency risks. The fund's investment strategy is based on systematic trend following. It is implemented in practice by means of a computer-aided trading system. The aim of the trading system is to generate returns from directional price movements - regardless of their direction - within predefined limits.

In general, the Fund may invest up to 100% of the Fund's assets in cash for liquidity management purposes. Cash is defined as bank deposits, short-term government securities, debt securities or equivalent securities, provided they have a good credit rating and are liquid, money market funds or other funds with comparable credit ratings. Income is added to the value of the asset.

The fund does not use a benchmark to measure performance.

Intended retail investor

The product is intended for retail clients, professional clients and eligible counterparties. The product is not suitable for clients who:

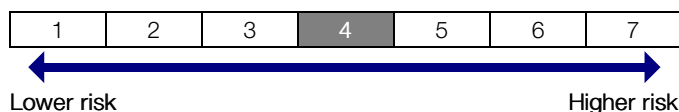
- wish a capital guarantee
- who have no or only a low risk tolerance (risk-averse)
- Expect a fixed repayment rate/interest rate
- who have a short investment horizon (< 5 years)

The product is therefore particularly suitable for private customers resident in Austria who wish to use the PRIIP specifically for risk diversification as an addition to their own portfolio. The product is also suitable for professional, international investors in the field of portfolio management. The minimum investment is EUR 100,-.



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


Risk Indicator



We have classified this product in the risk class 4 on a scale of 1 to 7.

Other risks material to the PRIIP that are not included in the summary risk indicator include:

- Liquidity risk
- Currency risk

 The risk indicator is based on the assumption that you will hold the product for 5 years. If you redeem the investment early, the actual risk may differ significantly and you may receive less in return. The summary risk indicator helps you assess the risk associated with this product compared to other products. It shows the likelihood that you will lose money with this product if markets develop in a certain way or if we are unable to pay you out.

This product does not include protection against future market developments, so you could lose all or part of the capital invested.

Performance scenarios

Investment example of EUR 10,000		If you leave after one year	If you leave after 5 years (recommended holding period)
Stress scenario	What you might get back after costs	EUR 6,460	EUR 5,030
	Average annual return	-35.46 %	-12.86 %
Unfavourable scenario	What you might get back after costs	EUR 6,460	EUR 5,190
	Average annual return	-35.46 %	-12.3 %
Moderate scenario	What you might get back after costs	EUR 9,000	EUR 9,920
	Average annual return	-10.08 %	-0.17 %
Favourable scenario	What you might get back after costs	EUR 14,730	EUR 14,830
	Average annual return	47.21 %	8.2 %

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 you will get from this product depends on future market performance. Markets could develop very differently in the future. The future market development is uncertain and cannot be predicted with certainty. Your maximum loss would be that you will lose all your investment (premium paid). The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product over the last 5 years. The pessimistic scenario occurred between 2015 and 2020; the average between 2017 and 2022. The best scenario occurred between 2018 and 2023. The stress scenario shows what you might get back in the case of extreme market conditions. This type of scenario resulted in an investment of EUR 10,000 between 2019 and 2023. The stress scenario is based on the historical distribution of returns, whereas the other scenarios reflect the historical performance of the fund.

>> What happens if smn is unable to pay out?

There is no protection against the fund's bankruptcy. In such a case, there is a possibility that you will lose your entire invested capital.

Key Information Document

smn Diversified Futures Fund 1996



>> What are the costs?

The Reduction of Yield (RIY) shows how the total costs affect the investment return you might receive. Total costs include one-time costs, ongoing costs, and incidental costs.

Costs over Time

The person who sells you this product or advises you on it may charge you other costs. If this is the case, the person will inform you about these costs and show you how all costs will affect your investment over time.

Assumption: EUR 10,000 invested	If you exit after 1 year	If you exit after the recommended holding period (5 years)
Total costs	EUR 1,070	EUR 3,160
Annual cost impact	10.64 %	7.3 %

Composition of Costs

The table below shows:

- how the different types of expenses each year affect the investment return you might receive at the end of the recommended holding period;
- the meaning of the different cost categories.

The table shows the impact on the annual return			
One-time Costs	Entry Costs	5.00 %	The impact of the costs you pay when entering the investment. This is the most you could eventually pay, but you could end up paying less.
	Exit Costs	None	Impact of the costs incurred when exiting your investment at maturity.
Ongoing Costs	Portfolio Transaction Costs	2.39 %	This is an estimate of the costs incurred when buying or selling the underlying investments for the product. The actual amount depends on the number of transactions made.
	Management Fees and Other Administrative or Operating Costs	4.27 %	Impact of the costs deducted annually for investment management, as well as the costs mentioned in Section II. This is an estimate based on the actual costs of the last year's.
Additional Costs	Performance Fees	1.29 %	Impact of the performance fee. This is retained from your investment when the product exceeds its previous best result. The performance fee is 15 % of the amount by which the fund's performance exceeds the assessment basis („High Water Mark principle“).

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

The recommended holding period is 5 years. This is because experiences from the past have shown that, as a result of a longer holding period, market fluctuations have a relatively smaller impact on the overall yield and periods of moderate performance can be compensated for by phases of exceptionally high performance. However, you can sell the shares weekly, in addition to every month-end (provided it is not a Friday), and provided that the written subscription applications are received at the company's registered office at the latest 3 banking days before the respective valuation day by 24:00 (Luxembourg time).

>> How can I complain?

Finanzmarktaufsicht Verbraucherinformation & Beschwerdewesen
Otto-Wagner-Platz 5
A-1090 Vienna
Austria
Fax: (+43-1) 249 59-3499
Telefon: (+43-1) 249 59- 3444
<https://www.fma.gv.at/beschwerde-und-ansprechpartner/>

>> Other relevant information

Regarding further information, we refer to our website. You can find the prospect at: <https://www.smn.eu/produkte/detail/show/smn-diversified-futures-fund/>.