

# KEY INFORMATION DOCUMENT ("KID")



## DAVY PRIVATE EQUITY STRATEGIES FUND 1

### 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

|                       |  |
|-----------------------|--|
| PRODUCT:              | Davy Alpha Elite Trust - Davy Private Equity Strategies Fund 1 |
| MANUFACTURER:         | J&E Davy   |
| PRODUCT CODE:         | C50565   |
| WEBSITE:              | www.davy.ie  |
| CALL NUMBER:          | +353 (0)1 679 7788   |
| REGULATOR:            | Central Bank of Ireland  |
| DOCUMENT VALID AS AT: | 01/01/2018   |

### WHAT IS THIS PRODUCT?

|                           |  |
|---------------------------|--|
| TYPE:                     | This Product is an Alternative Investment Fund   |
| OBJECTIVES:               | The investment objective of the Davy Private Equity Strategies Fund 1 is to generate long term capital growth by investing primarily in a range of private equity type investments. J&E Davy as Investment Manager will principally aim to achieve private equity exposure by investing in a diversified portfolio of private equity Investment Funds giving due consideration to the quality of the underlying fund's investment management team, their strong long term track record and their diverse global investment activities. Such Investment Funds may include large buyout funds, venture capital funds, real estate funds, mezzanine funds and special situation funds. While the Investment Manager will generally seek exposure to private equity Investment Funds, the Investment Manager retains the discretion to vary the asset allocation due to market conditions or the availability of appropriate investment opportunities. |
| INTENDED RETAIL INVESTOR: | The Product is targeted at Eligible Counterparties, Professional Clients and Retail Clients (only where retail clients meet the Irish Qualifying Investor criteria). The investor's objective for this investment should be aligned with that of the Product as outlined above.  |

### WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The underlying funds may include illiquid assets such as alternative funds, real estate funds and/or non-quoted assets. These assets incur additional risks which are not considered in the indicator shown above when they do not represent a significant part of the underlying funds. These risks are that these assets could not be sold or not sold at the desired time and / or lead to significant losses. You may not be able to sell your product easily or may have to sell at a price that significantly impacts on how much you get back.

Be aware of currency risk. The underlying funds may receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

#### RISK INDICATOR

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 the risk classes of the underlying investment strategies as ranging from 4 out of 7, which is a medium risk class.

Please note the Sub-Fund is subject to market fluctuations. There is no assurance that any appreciation in the value of investments will occur or that the investment objective of this Sub-Fund will be achieved. The SRI classification is based on the Sub-Fund's liquidity profile & diversification.

This product does not include any protection from future market performance so you could lose some or all of your investment.

## PERFORMANCE SCENARIOS

### INVESTMENT USD

| SURVIVAL SCENARIOS    |  | 1 YEAR        | 3 YEARS       | 5 YEARS<br>(RECOMMENDED<br>HOLDING PERIOD) |
|-----------------------|--|---------------|---------------|--|
| STRESS SCENARIO       | <b>What might you get back after costs</b> | 7 978.02 USD  | 7 656.08 USD  | <b>7 097.06 USD</b>                        |
|                       | Average return each year                   | -20.22 %      | -8.52 %       | -6.63 %                                    |
| UNFAVOURABLE SCENARIO | <b>What might you get back after costs</b> | 10 054.62 USD | 11 898.49 USD | <b>14 338.4 USD</b>                        |
|                       | Average return each year                   | 0.55%         | 5.97%         | 7.47%                                      |
| MODERATE SCENARIO     | <b>What might you get back after costs</b> | 10 816.42 USD | 13 570.37 USD | <b>17 025.51 USD</b>                       |
|                       | Average return each year                   | 8.16%         | 10.71%        | 11.23%                                     |
| FAVOURABLE SCENARIO   | <b>What might you get back after costs</b> | 11 808.11 USD | 15 706.2 USD  | <b>20 515.36 USD</b>                       |
|                       | Average return each year                   | 18.08%        | 16.24%        | 15.46%                                     |

This table shows the money you could get back over the recommended holding period, under different scenarios, assuming that you invest 10000 USD.

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, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment.

## WHAT HAPPENS IF J&E DAVY IS UNABLE TO PAY OUT?

You may face a financial loss should the Manufacturer or depositary, Northern Trust Fiduciary Services (Ireland) Limited, default on their obligations.. There is a compensation fund available for investors under the Investor Compensation Act, 1998 (the "Act") where the criteria for payment of compensation under the Act have been fulfilled. Further details are available from the Manufacturer.

## WHAT ARE THE COSTS?

### COSTS OVER TIME

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 early exit penalties. The figures assume you invest 10,000 USD. The figures are estimates and may change in the future.

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 USD                  | IF YOU CASH IN AFTER 1 YEAR | IF YOU CASH IN AFTER 3 YEARS | IF YOU CASH IN AFTER 5 YEARS |
|---------------------------------|-----------------------------|------------------------------|------------------------------|
| <b>Total costs</b>              | <b>848.97 USD</b>           | <b>2 446.68 USD</b>          | <b>4 966.56 USD</b>          |
| Impact on return (RIY) per year | 8.49 %                      | 6.29 %                       | 5.84 %                       |

### 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.

\* What the different cost categories mean.

#### THIS TABLE SHOWS THE IMPACT ON RETURN PER YEAR

|                  |                             |        |   |
|------------------|-----------------------------|--------|---|
| ONE-OFF COSTS    | ENTRY COSTS                 | 3.00 % | The impact of the costs you pay when entering your investment. This is the most you will pay, and you could pay less. The impact of costs are already included in the price. This includes the costs of distribution of your product. |
|                  | 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         | 4.41 % | The impact of the costs incurred in the management and operation of the product.  |
| INCIDENTAL COSTS | PERFORMANCE FEE             | 0.00 % | No performance fee is charged.  |
|                  | CARRIED INTERESTS           | 0.00 % | Underlying Fund carried interest has yet to accrue.   |

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

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RECOMMENDED MINIMUM HOLDING PERIOD: 5 YEARS

## HOW CAN I COMPLAIN?

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In case of any unexpected problems in the understanding, trading or handling of the product, please feel free to directly contact J&E Davy

POSTAL ADDRESS: 49 Dawson Street, Davy House, Dublin 2, Co.Dublin.  
WEBSITE: [www.davy.ie/contact](http://www.davy.ie/contact)  
E-MAIL: [DIFSMANCO@davy.ie](mailto:DIFSMANCO@davy.ie)  
FAX: +353 (0)1 614 8727  
TELEPHONE: +353 (0)1 679 7788

J&E Davy will handle your request and provide you with a feedback as soon as possible.

## OTHER RELEVANT INFORMATION

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Should you require any further documentation, such as the product's latest prospectus or annual reports, please contact [DIFSMANCO@davy.ie](mailto:DIFSMANCO@davy.ie)