

# KEY INFORMATION DOCUMENT



MARTIN CURRIE

## SECURITIES TRUST OF SCOTLAND

### 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

<b>Name of Product</b>	Securities Trust of Scotland plc
<b>Name of PRIIP manufacturer</b>	Martin Currie Fund Management Limited (MCFM)
<b>ISIN</b>	GBooBo9G3N23
<b>Website</b>	www.securitiestrust.com
<b>Contact details</b>	For further information visit www.securitiestrust.com or telephone: 0131 229 5252
<b>Competent authority</b>	Financial Conduct Authority
<b>Date of production</b>	This Key Investor Document is accurate as at 1 December 2018

### WHAT IS THIS PRODUCT?

<b>Type</b>	Securities Trust of Scotland plc is an investment trust and is a public limited company, with shares listed on the London Stock Exchange. It invests in the shares of other companies. Shares of the product are bought and sold via markets. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it. The product has borrowed to purchase assets. This will magnify any gains or losses made.
<b>Objective</b>	Securities Trust of Scotland plc aims to achieve rising income and long-term capital growth through investment in a balanced portfolio constructed from global equities.
<b>Intended retail investor</b>	This product is intended for investors who are prepared to take on risk of loss to their original capital in order to get a higher potential return, and who plan to stay invested for at least 5 years. It is intended to form part of a portfolio of investments.
<b>Maturity</b>	There is no maturity date.

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

#### Summary Risk Indicator

1	2	3	4	5	6	7
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Lower risk ← → Higher risk

The risk indicator assumes you keep the product for five years. The actual risk can vary significantly if you cash in 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 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.

In accordance with legislation, we have classified this product as 4 out of 7, which is a medium risk class. Please note that even the lowest risk class can lose you money and, that extreme adverse market conditions can mean you suffer severe losses in all cases.

The summary risk indicator only reflects historic share price volatility of the company's shares. It excludes other risks inherent in the product and, therefore, does not show the full risk to the investor.

The following are some of the other risks materially relevant to the PRIIP which are not covered in the summary risk indicator:

- The product may borrow money which is known as 'gearing' which can enhance gains in rising markets but, magnify losses in falling markets.
- The majority of management fees will be deducted from the capital of the company which will constrain capital growth in order to maintain income streams.
- Investing in foreign markets introduces a risk where adverse movements in currency exchange rates could result in a decrease in the value of your investment.
- Emerging or less developed markets may face more political, economic or structural challenges than developed countries. Investment in these markets is generally characterised by higher levels of risk than fully developed markets.

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

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

### Performance scenarios

Investment of £10,000 (Calculated using share price total return)		1 year	3 years	5 years (recommended holding period)
Stress scenario	What you might get back after costs	£3,843	£5,084	£4,168
	Average return each year	-61.6%	-20.2%	-16.1%
Unfavourable scenario	What you might get back after costs	£8,597	£8,400	£8,558
	Average return each year	-14.0%	-5.6%	-3.1%
Moderate scenario	What you might get back after costs	£10,583	£11,845	£13,258
	Average return each year	5.8%	5.8%	5.8%
Favourable scenario	What you might get back after costs	£12,557	£16,106	£19,806
	Average return each year	25.6%	17.2%	14.6%

This table shows the money you could get back over the next 5 years under different scenarios, assuming that you invest £10,000. The performance scenarios have been calculated on historical performance figures based on the past 5 years when markets have been favourable. The past performance of an investment is not necessarily a guide to its performance in the future and might not be replicated in future. The value of shares can go down as well as up and you may not get back the full amount you invested. The scenarios shown illustrate how your investment could perform. You can compare then with 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.

The stress scenario, which is calculated using a prescribed formula based on the product's worst performing days over the last 5 years, shows you what you might get back in extreme market circumstances.

The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules.

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 MARTIN CURRIE FUND MANAGEMENT LIMITED IS UNABLE TO PAY OUT?

As the shares are not traded directly with the Trust or PRIIP Manufacturer (MCFM) rather they are traded on the London Stock Exchange, any direct holding of these shares is not covered by the Financial Services Compensation Scheme (FSCS) in the event MCFM or the Trust are unable to pay out.

## 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. They include potential early exit penalties. The figures assume you invest £10,000. 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.

Table 1: Costs over time

Investment Scenarios of £10,000	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 5 years
Total costs	£134	£397	£652
Impact on return (RIY) per year	1.34%	1.34%	1.34%

**Table 2: 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 and the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	The impact of the costs you pay when entering the investment. Neither MCFM or the product make any charge to buy/sell your investment.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures. Neither MCFM or the product make any charge to buy/sell your investment.
Ongoing costs	Portfolio transaction costs	0.20%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	1.14%	The impact of the costs that are taken from the product each year for managing your investment. MCFM is entitled to a management fee and in addition, the product will incur annual fees and expenses including fees for: secretarial and administration services, depository, registration services, directors and other operating expenses. Such expenses are all paid by the product and thus indirectly borne by its shareholders. Gearing costs are also included.
Incidental costs	n/a	0.00%	There are no incidental costs payable.

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

### Recommended holding period: 5 years

This product has no minimum holding period, but it is designed for long-term investment, you should be prepared to stay invested for at least 5 years. You can sell your shares in the product on any day that the London Stock Exchange is open. At any time the value of your investment is based on the market value of the shares (the share price) multiplied by the number of shares you own.

## HOW CAN I COMPLAIN?

As a shareholder of the product you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of the product.

If you have a complaint about this KID or the conduct of the Manufacturer you may lodge your complaint in one of three ways:

**You may email your complaint to:** [complaints@martincurrie.com](mailto:complaints@martincurrie.com)

**You may send your complaint in writing to:** Head of Compliance  
 Martin Currie Fund Management Limited  
 Saltire Court  
 20 Castle Terrace  
 Edinburgh  
 EH1 2ES

**You may log your complaint via our website:** [www.securitiestrust.com/contacts](http://www.securitiestrust.com/contacts)

## OTHER RELEVANT INFORMATION

The risk, performance and cost calculations included in this document are based on the methodologies prescribed by EU Rules. The performance scenarios are based on share price total returns with dividends reinvested. Please note, the data used in these calculations and the specific methodology applied may change in the future.

Please visit [www.securitiestrust.com](http://www.securitiestrust.com) to find out more information on the company, including annual and half-yearly reports, as well as Portfolio Manager views and market insight.

We are required to provide you with further documentation, such as the product's Information for Investors Document, the latest annual and half-yearly report and accounts and the Securities Financing Transactions Regulation disclosure statement.

All of these documents and other product information are available online at [www.securitiestrust.com/howtoinvest](http://www.securitiestrust.com/howtoinvest)

If you are unsure if an investment is suitable for you, please seek financial advice.