

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.

Cerno Unconstrained Fund (the "Fund") – a sub-fund of Cerno Investment Funds ICAV (the "ICAV") Class D USD Accumulating (Hedged) (the "Class")

The Fund is managed by KBA Consulting Management Limited (the "Manager")

Objectives and Investment Policy

Objective

- The investment objective of the Fund is to achieve a positive absolute return over a medium to long term period.

Investment Policy

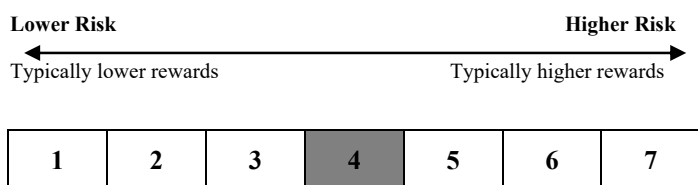
- The Fund may invest up to 100% of its Net Asset Value ("NAV") directly/indirectly in equities, fixed income (of governments and high grade corporates of various types and maturities), currencies and interest rates and may reduce its allocation for any given asset class or classes to 0% of the NAV where doing so would offer the potential for growth and return for the Fund in light of the economic and market conditions. In order to gain exposure to these asset classes, the Fund will also invest in underlying funds, convertible bonds and financial derivative instruments (financial instruments whose value is derived from the value of other assets) ("FDI") listed or traded on a recognised market or traded over-the-counter funds. A convertible bond is a type of bond that can be converted into a specified number of shares of a company or cash of equal value.
- The Fund may invest up to 30% of its NAV in below investment grade fixed income, fixed income related securities and convertible bonds. A rating agency gives an investment grade rating when it believes that there is a relatively low risk that the issuer of a bond will be unable to make payments.
- The Fund may invest up to 100% of its net assets in underlying funds namely UCITS and acceptable AIFs in accordance with the Central Bank's requirements, including open-ended exchange traded funds

and investment trusts which are regulated and domiciled globally. The Fund may not invest more than 20% of its NAV in any one underlying fund and that investment in Acceptable AIFs may not, in aggregate, exceed 30% of the NAV of the Fund.

- The Fund may invest up to 80% of its NAV in emerging markets.
- The Fund may also invest in FDI's to help try to achieve the Fund's objectives and to reduce risk or cost for the Fund.
- The Fund exercises a flexible global strategy in the selection of investments, not limited by geographical location, investment style or asset class
- Dealing frequency:** You can buy and sell your shares in the Fund before 12pm (Irish time) on each day of every week providing it is a business day (when the retail banks in Dublin are open).
- Distribution Policy:** It is not the intention to distribute dividends to Shareholders for this Class.
- Recommended holding term:** The Fund may not be appropriate for investors who plan to withdraw their money within 3 years.

For more information about the investment policies and strategies please refer to the sections entitled "Investment Policies" and "Investment Strategies" in the supplement for the Fund.

Risk and Reward Profile



The indicator above illustrates the position of this Fund on a standard risk/reward category scale. This indicator is based on historical data and may not be a reliable indication of the future risk profile of the Fund. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time.

The Fund is in category 4 because of the range and frequency of price movements of the underlying investments in which the Fund invests. The Fund's volatility has been assessed as Medium risk. The risk category was calculated using simulated historical performance data and may not be a reliable indicator of the Fund's future risk profile. The risk and reward profile shown is also not guaranteed to remain the same and may shift over time.

Risks materially relevant to the Fund which may not be adequately captured by the indicator:

Equities Risk: The Fund invests in shares of companies, and the value of these shares can be negatively affected by changes in the company, its industry or the economy in which it operates.

Credit and Fixed Interest Securities: The Fund may invest in fixed interest rate securities which are particularly affected by trends in interest rates and inflation. The value of a fixed interest rate security will fall in the event of the default or reduced credit rating of the issuer.

Convertible Bond Risk: The price of a convertible bond may be influenced by the market value of the underlying common stock. Therefore, investments in convertible bonds tend to bear the same risks as direct investments in underlying shares/cash.

Emerging Markets Risk: Emerging markets may involve additional risks including, but not limited to: political, regulatory, legal, custody, registration and legal title, illiquidity, settlement, repatriation and currency fluctuation risks.

Risk of Rated and Unrated Securities: Investment grade securities may be subject to the risk of being downgraded to below investment grade. Such low-rated securities would generally be considered to have a higher credit risk and a greater possibility of default more than highly rated securities.

Currency Risk: The value of an investment may fall due to changes in the exchange rate between the currency of the class and the base currency of the Fund.

Derivatives Risk: The use of derivatives can result in greater fluctuations of the Fund's value and may cause the Fund to lose as much

as or more than the amount invested. The counterparty to derivatives contract may fail to make timely payment of interest or principal or otherwise honour its obligations.

For a detailed explanation of these and other risk factors, please refer to the section entitled "Investment Risks" in the ICAV's prospectus which is available at www.cernocapital.com

Charges for this Fund

The charges you pay are used to pay costs of running the Fund including the marketing and distributing of the Fund. These charges reduce the potential growth of your investment.

One off Charges taken before or after you invest	
Entry Charge	5%
Exit Charge	None
Switching Fee	0.5%
This is the maximum that might be taken out of your money before it is invested (entry charge) or paid back to you (exit charge)	
Charges taken from the Fund over the year	
Ongoing Charge	2.32%

The ongoing charges figure has been calculated based on the actual expense figures for the fourth quarter of 2017 and annualized to 2017 year end. This figure may vary from year to year.

When you buy or sell shares, a charge (anti-dilution levy) may be payable to cover the costs incurred by the Fund in buying or selling investments for the Fund. This anti-dilution charge of up to 5.00% is included in the entry charge shown and can together with any entry charge be no greater than 5.00% of the subscription monies. No exit charge is payable for the Fund, an anti-dilution charge may be applied to redemptions and shall not exceed 3.00% of the redemption monies.

More detailed information on charges can be found in the ICAV's prospectus and Fund's supplement under the section entitled "Fees and Expenses".

Past Performance

The Fund was established on 29 June 2017. Accordingly there is insufficient data to provide a useful indication of past performance to investors.

Performance in the past is not a reliable indicator of future results. In general, past performance takes into account of all ongoing charges, but not any entry, exit or switching charge. Past performance shall be calculated in GBP. Past performance is not a guide to the future performance of the Fund

Practical Information

Depository

SMT Trustees (Ireland) Limited.

Umbrella Fund

The Fund is a sub-fund of Cerno Investment Funds ICAV, an umbrella Irish collective asset-management vehicle with segregated liability between sub-funds, established as an ICAV under the laws of Ireland. This means that the assets and liabilities of each sub-fund are segregated by law.

Purchases/Sales of shares

Investors can buy shares each day of every week providing it is a business day (on which banks in Dublin are open for normal banking business) and can redeem shares each day of the week. Further information is available from the Administrator, Maples Fund Services (Ireland) Limited (the "Administrator").

Latest Unit Prices

The latest unit prices will be available free of charge at www.bloomberg.com or by contacting the Administrator.

Further Information

Further information regarding the Fund, including the Fund's supplement and the ICAV's prospectus, latest annual report and any subsequent half-yearly report (when available) can be obtained free of charge in English from the Administrator. The most recent share price of the Fund can be obtained free of charge at www.bloomberg.com. The prospectus and periodic reports are prepared for the ICAV as a whole.

Tax Legislation

As at the date of this document, the Fund is not subject to Irish tax on its income or capital gains. Investors should seek professional advice as to the personal tax impact of an investment in the Fund under the laws of the jurisdiction in which they may be subject to tax.

Remuneration Policy

Details of the up-to-date remuneration policy of the Manager, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits are available on www.kbassociates.ie and a paper copy will be made available free of charge upon request.

Switching

You may switch your shares in the Fund to other shares of the Fund in which you are eligible to invest. Further information is available from the Administrator.

Liability Statement

The Manager 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 ICAV's prospectus.