

# GRIT Innolab AI Equity Arbitrage AIF

## 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 risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

### GRIT Innolab AI Equity Arbitrage AIF

A-units (ISIN: FI4000466586) B-units (ISIN: FI4000466594)

This fund is managed by GRIT Fund Management Company Ltd, which is a fully owned subsidiary of GRIT Governance Ltd

## Objectives and investment policy

The investment strategy of the Fund strives to systematically exploit inefficiencies between pairs of highly liquid global equity and sector index futures. The inefficiencies are identified utilizing artificial intelligence technology developed by Innolab. The investment strategy selectively identifies inefficiencies in a universe of more than 100 different pairs. Pair selection is based on correlation and calculation scores.

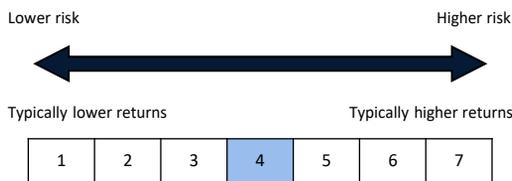
The fund is a non-UCITS fund, which means it can deviate from the regulations concerning investment diversification related to UCITS funds. The assets of the fund are invested in derivative contracts, which are bound to international stock markets. The underlying assets of the derivative contracts may also be futures and forwards. Relevant investment criteria are high liquidity of the derivative contracts, i.e. that the assets are easily purchased and sold, low trading fees and reliable valuation of assets.

The investment strategy targets a stable positive return at a volatility roughly half of the equity market volatility. Over time the volatility can be lower and higher. The investment strategy does not explicitly target low correlation to the equity market, but given the pair-trading type of positioning, a low beta to equities is to be expected.

Investors may subscribe or redeem fund units the last business day in Finland each month. Subscription (including the subscription amount and appendices) and redemption requests must be received by the fund management company no later than two (2) business days prior to the desired subscription/redemption date.

Recommendation: this fund may not be appropriate for investors who plan to withdraw their money within five (5) years.

## Risk and reward profile



Based on the investment strategy, the fund has been placed in category 4, which means that the risk of fluctuations in the value of fund units is slightly higher compared to an average risk.

The risk indicator relies on historic data and cannot be used to predict future developments. The risk category shown is not guaranteed and may shift over time. Note that a fund in category 1 does not mean the investment is risk-free.

The risk/reward profile reflects the historical volatility of the fund, i.e. the fluctuations in the value of units over time. In addition, the following risks that are not necessarily captured by the indicator, but which may impact the value of fund units, should be taken into account:

**Market risk:** The fluctuation of the market-value of the positions held in the portfolio of the fund, such as the fluctuation of value.

**Risk from the use of derivatives:** The use of derivatives may result in lowering or increasing the risk and the expected return of the fund. The use of derivatives may increase counterparty and operational risks.

**Counterparty risk:** The risk that a trade counterparty becomes unable to fulfill its obligations e.g. due to insolvency.

**Exceptional circumstances:** Risks relating to unexpected or extraordinary events, such as market disturbances or political development.

**More information about the risk profile can be found in the fund prospectus.**

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### Charges

The charges you pay are used to pay the costs of running the 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	
Subscription fee	Maximum 1%
Redemption fee, depending on time of redemption	Maximum 1%
Charges taken from the fund over a year	
Ongoing charges	Approx. 0.5% (A-units)
Ongoing charges	Approx. 1.25% (B-units)
Charges taken from the fund under certain circumstances	
Performance fee	Incentive fee 10% of any returns the fund achieves above the previous highest peak in value (High Watermark). Charged monthly in arrears. The fund has not yet paid any incentive fee.

The **subscription and redemption fees** are shown as maximum figures. A complete list of fees can be found in the fund prospectus.

Since the fund is new, the ongoing charges are based on an estimate of annually costs to be charged. This figure may vary from year to year. It excludes:

- Incentive fees
- Portfolio transaction costs

The charges an investor pays are used to pay the costs of running the fund, including the costs of marketing and distributing the fund, and that these charges reduce the potential growth of the investment.

**For more information about fees and charges, please see the fund's prospectus, which is available from the fund management company or the distributor of the fund.**

### Past Performance

The start date of the fund will be January 15, 2021, at the earliest. There is no past performance for the fund from the previous 5 years. **Past performance is not necessarily indicative of future results.**

### Practical information

More information about the fund can be found in the prospectus, the fund rules and the fund's annual and semi-annual reports which are available free of charge from the distributor Innolab Technologies A/S and the fund management company in English. Information on the remuneration policy required by law and applied in the fund management company is available at [www.gritfundservices.fi](http://www.gritfundservices.fi).

#### Publication of fund value

The value of the fund is calculated and published within a week from each valuation day. The latest unit prices can be obtained from the fund management company and Innolab.

#### Fund rules

The fund rules have entered into force on December 28, 2020.

#### Taxation

The tax legislation in Finland or in the home state of the investor may have an impact on the personal tax situation of the investor.

*The GRIT Innolab AI Equity Arbitrage AIF is registered for marketing to professional investors in Denmark, Finland, and Sweden. The fund is also available for other investors in Denmark that invest at least 100 000 EUR and that have confirmed that they understand the risks inherent to an investment in the fund (semi-professional investors). Any marketing in any other jurisdiction is strictly prohibited.*

Contact details: GRIT Fund Management Company Ltd, Pitkätatu 34C, FI-65100 Vaasa, Business ID: 1830022-0, Domicile: Helsinki  
www.gritfundservices.fi, Tel:+358 20 7613 350, Fax: +358 20 6513 345, e-mail: fundadmin@gritfundservices.fi

Bank Account (IBAN): Nordea FI55 1318 3000 1091 31

**Portfolio manager:** Estlander & Partners Ltd

**Custodian:** Skandinaviska Enskilda Banken AB (publ), Helsinki branch

#### License

This fund is authorized in Finland and regulated by the Finnish FSA. GRIT Fund Management Company Ltd is authorized in Finland and regulated by the Finnish FSA.

The Finnish Financial Supervisory Authority  
Snellmaninkatu 6, P.O. Box 103  
FI-00101 Helsinki, Finland

GRIT Fund Management Company Ltd 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 for the fund.

This key investor information is accurate as of January 5<sup>th</sup>, 2021.