The Fund Group SICAV

Société d'investissement à capital variable (SICAV) –
Société anonyme (S.A.)
Registered office: 15, boulevard F.W. Raiffeisen, L-2411 Luxembourg
Grand-Duchy of Luxembourg
R.C.S. Luxembourg: B182010
(the "Fund")

The board of directors of the Fund (the "**Board of Directors**") decided for commercial and sub-funds' service providers and costs rationalization reasons to merge the sub-funds "The Fund Group SICAV - Balanced Portfolio Fund" and "The Fund Group SICAV - Enhanced Growth Fund" (the "**Merging Sub-Funds**") on 12 October 2020 (the "**Effective Date**") into the correspondent sub-funds in the fund Kensington Investment Funds, namely "Kensington Investment Funds - Kensington Multi Asset Cautious Fund" and "Kensington Investment Funds - Kensington Multi Asset Growth Fund", (the "**Receiving Sub-Funds**"), (the whole operation hereinafter referred to as the "**Merger**").

Merging & Receiving Sub-Funds
1. "***The Fund Group SICAV - Enhanced Growth Fund***" will merge into "***Kensington Investment Funds - Kensington Multi Asset Growth Fund***".
2. "***The Fund Group SICAV - Balanced Portfolio Fund***" will merge into "***Kensington Investment Funds - Kensington Multi Asset Cautious Fund***".

The Receiving Sub-Funds are sub-funds of Kensington Investment Funds, a Luxembourg open-ended *société d'investissement à capital variable* ("**SICAV**") in the form of a public limited company (société anonyme), incorporated on 3 April 2020, with registered office at 106, route d'Arlon, L-8210 Mamer, Grand Duchy of Luxembourg, organised as an undertaking for collective investment in transferable securities ("**UCITS**") featuring a multi-compartments structure. As a consequence, the management company managing Kensington Investment Funds in the context of the Merger will be Lemanik Asset Management S.A., with registered office at 106, route d'Arlon, L-8210 Mamer Grand-Duchy of Luxembourg.

The Merger shall be performed in accordance with article 1(20)(a) and chapter 8 of the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended and supplemented from time to time (the "**Luxembourg Law**"), as well as the European Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (the "UCITS Directive") and to the other EU Regulations and Directives implementing the UCITS Directive, as amended and supplemented from time to time and subject to the approval of the CSSF.

The Board of Directors believes that the Merger is in the best interest of the investors of the Merging Sub-Funds, as it will increase the overall assets under management and at the same time is expected to result in an improved efficiency from an operational, performance and sales standpoint, in accordance with the investment policy of the aforementioned Sub-Funds and with the provisions of article 24 of the articles of incorporation of The Fund Group SICAV and article 1(20)(a) of the Luxembourg law.

The Merger shall have the following key consequences as from the Effective Date:

a) The Merging Sub-Funds shall be dissolved without going into liquidation and their assets and liabilities shall be transferred to the Receiving Sub-Funds;
b) Shareholders of the Merging Sub-Funds shall become shareholders of the Receiving Sub-Funds.

The merger will not result in any change in the legal status of the Shareholders. Shares of the Receiving Sub-Funds will give their holders the same rights as those issued for shares within the Merging Sub-Funds, in particular as to their voting rights and as to their entitlement to benefits.

I. COMPARISON OF THE MERGING SUB-FUNDS AND THE RECEIVING SUB-FUNDS

The investment objectives, policies and restrictions and the other key features of the Receiving Sub-Funds (as per the prospectus dated April 2020) shall be substantially replicated, in all material aspects, from the Merging Sub-Funds (as per the prospectus dated April 2020). No investment advisor has been appointed for the Receiving Sub-Funds. Lemanik Asset Management S.A. will act as portfolio manager of the Receiving Sub-Funds.

	The Fund Group SICAV - Enhanced Growth Fund	Kensington Investment Funds - Kensington Multi Asset Growth Fund
Investment policy	The Fund will construct of portfolio of: - UCITS and eligible UCIs alternative strategy funds such as managed futures funds, long/short equity funds, global macro investment funds, listed REITs, UCITS eligible private equity funds in emerging/developed market capitalizations of large or small companies;	The Fund will construct of portfolio of: - UCITS and eligible UCIs alternative strategy funds such as managed futures funds, long/short equity funds, global macro investment funds, closed-ended listed REITs, UCITS eligible private equity funds in emerging/developed market capitalizations of large or small companies;

	- mutual funds, undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing mainly in equities, commodities (through UCITS eligible instruments), compliant with prevailing rules under UCITS Law and on an ancillary basis mutual funds, undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing in fixed income securities, currencies and cash; and - Currency SWAPS for hedging purposes only. The Fund shall identify, capture, develop and 'actively manage' a portfolio of UCITS and eligible UCIs alternative investment funds and assets to ensure limited correlation between investment strategies and broader markets expanding or restricting exposure to specific investment areas in order to maximize returns within specific investment cycles. No specific restrictions apply concerning the volatility limits of the portfolio of the Fund. Depending on prevailing market conditions the Fund may be primarily invested in money market, cash and deposits to protect the interest of its investors, potentially through mutual funds, undertakings for collective investments in transferable securities (UCITS) and undertakings for collective investments (UCIs).	- undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing mainly in equities, commodities (through UCITS eligible instruments), compliant with prevailing rules under UCITS Law and on an ancillary basis investment funds, undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing in fixed income securities, currencies and cash. European UCITS having an ETF policy may be targeted but only when they are domiciled and regulated in the EU. No US ETF will be selected or invested. The Fund shall identify, capture, develop and 'actively manage' a portfolio of UCITS and eligible UCIs alternative investment funds and assets to ensure limited correlation between investment strategies and broader markets expanding or restricting exposure to specific investment areas in order to maximize returns within specific investment cycles. No specific restrictions apply concerning the volatility limits of the portfolio of the Fund. In case of adverse market conditions, the Fund may be primarily but on temporary basis only invested in money market, cash and deposits to protect the interest of its investors, potentially through mutual funds, undertakings for collective investments in transferable securities (UCITS) and undertakings for collective investments (UCIs).
Concerned Classes of Shares	A2 Retail Investors: **GBP**	A2 All Investors: **GBP**
Type	Capitalisation	Capitalisation
Synthetic Risk and Reward Indicator (SRRI)	A2 Retail Investors: **4**	A2 All Investors: **4**
On-going Charges Figures (estimated)	A2 Retail Investors: **3.75%**	A2 All Investors: **1.90%**
Subscription fee	**- Share Class A2 (ISIN: LU1402310707):** A Share Creation Charge ("SCC") of 5% applies, which will be borne by the Fund and amortised back by the Fund over a period of sixty (60) months from the date of each subscription. A Contingent Differed Sales Charge ("CDSC") might be taken out of the Shareholder's money before the proceeds of its investment are paid out in case of redemption in the five (5) years following the subscription. Indeed, upon redemption of shares during this period, the SCC will extinct and the write off of the remaining accrual will be materialized by the CDSC computed on a pro rata temporis.	**- Share Class A2 (ISIN: LU2145273756):** A Share Creation Charge ("SCC") of 5% applies, which will be borne by the Fund and amortised back by the Fund over a period of sixty (60) months from the date of each subscription. A Contingent Differed Sales Charge ("CDSC") might be taken out of the Shareholder's money before the proceeds of its investment are paid out in case of redemption in the five (5) years following the subscription. Indeed, upon redemption of shares during this period, the SCC will extinct and the write off of the remaining accrual will be materialized by the CDSC computed on a pro rata temporis.
Redemption fee	**None**	**None**
Performance Fee	**None**	**None**

	The Fund Group SICAV - Balanced Portfolio Fund	Kensington Investment Funds - Kensington Multi Asset Cautious Fund
Investment policy	The Fund will construct a portfolio of: -mutual funds, undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing in or exposed to fixed income, equities, commodities (through UCITS eligible instruments), currencies and cash, compliant with prevailing rules under the UCITS Law; -UCITS and eligible UCIs alternative strategy funds such as managed futures funds, long/short equity funds, global macro investment funds, listed REITs, UCITS eligible private equity funds in emerging/developed market capitalizations of large or small companies; and -Currency SWAPS for hedging purposes only. The Fund shall identify, capture, develop and 'actively manage' a portfolio of UCITS and UCIs compliant alternative investment funds and assets to ensure limited correlation between investment strategies and broader markets expanding or restricting exposure to specific investment areas in order to maximise returns within specific investment cycles. Depending on prevailing market conditions the Fund may be primarily invested in money market, cash and deposits to protect the interest of its investors.	The Fund will construct a portfolio of: - undertakings for collective investments in transferable securities (UCITS), undertakings for collective investments (UCIs) investing in or exposed to fixed income, equities, commodities (through UCITS eligible instruments), currencies and cash, compliant with prevailing rules under the UCITS Law; - UCITS and eligible UCIs alternative strategy funds such as managed futures funds, long/short equity funds, global macro investment funds, closed-ended listed REITs, UCITS eligible private equity funds in emerging/developed market capitalizations of large or small companies. European UCITS having an ETF policy may be targeted but only when they are domiciled and regulated in the EU. No US ETF will be selected or invested. Depending on market conditions, the Fund may be alternatively invested mainly in equity funds or bond funds. The Fund shall identify, capture, develop and 'actively manage' a portfolio of UCITS and UCIs compliant alternative investment funds and assets to ensure limited correlation between investment strategies and broader markets expanding or restricting exposure to specific investment areas in order to maximise returns within specific investment cycles. In case of adverse market conditions, the Fund may be primarily but on temporary basis only invested in money market, cash and deposits to protect the interest of its investors.
Concerned Classes of Shares	A Retail Investors: **GBP** A2 Retail Investors: **GBP**	A All Investors: **GBP** A2 All Investors: **GBP**
Type	Capitalisation	Capitalisation
Synthetic Risk and Reward Indicator (SRRI)	A Retail Investors: **3** A2 Retail Investors: **3**	A All Investors: **4**(*) A2 All Investors:**4**(*)
On-going Charge Figures (estimated)	A Retail Investors: **1.88%** A2 Retail Investors: **2.86%**	A All Investors: **1.90%** A2 All Investors: **1.90%**
Subscription fee	**- Share Classes A (ISIN: LU1402310962):** Up to 5% payable either to the Management Company or to the appointed Distributor(s). **- Share Class A2 (ISIN: LU1402311002):** A Share Creation Charge ("SCC") of 5% applies, which will be borne by the Fund and amortised back by the Fund over a period of sixty (60) months from the date of each subscription. A Contingent Differed Sales Charge ("CDSC") might be taken out of the Shareholder's money before the proceeds of its investment are paid out in case of redemption in the five (5) years following the subscription. Indeed, upon redemption of shares during this period, the SCC will extinct and the write off of the remaining accrual will be materialized by the CDSC computed on a pro rata temporis.	**- Share Classes A (ISIN: LU2145273244):** Up to 5% payable either to the Management Company or to the appointed Distributor(s). **- Share Class A2 (ISIN: LU2145273327):** A Share Creation Charge ("SCC") of 5% applies, which will be borne by the Fund and amortised back by the Fund over a period of sixty (60) months from the date of each subscription. A Contingent Differed Sales Charge ("CDSC") might be taken out of the Shareholder's money before the proceeds of its investment are paid out in case of redemption in the five (5) years following the subscription. Indeed, upon redemption of shares during this period, the SCC will extinct and the write off of the remaining accrual will be materialized by the CDSC computed on a pro rata temporis.

Redemption fee	**None**	**None**
Performance Fee	**None**	**None**

(*) Investors are informed that the SRRI is the result of the calculation performed by the management company of the Receiving Sub-Fund. The divergence with the SRRI of the relevant Merging Sub-Fund does not derive from any changes in the set-up or envisaged management approach.

In addition, no dilution in the performance of the Merging Sub-Funds and no rebalancing of the portfolios before or after the Effective Date of the Merger are expected.

The ongoing charges of the Receiving Sub-Funds are expected to be generally lower than the ongoing costs currently being borne by the Merging Sub-Funds.

Shareholders of the Merging Sub-Funds are offered the possibility to redeem their shares based on the latest net asset value of the shares, as defined in the prospectus, for a period of at least one (1) month from the date the shareholders are informed on the proposed Merger up to the Effective Date.

The attention of the Shareholders within the A2 share classes of the Merging Sub-Funds is drawn to the fact that upon redemption of shares before amortization of the Share Creation Charge ("SCC"), the applicable SCC will extinct and the write off of the remaining accrual will be materialized by a Contingent Deferred Sales Charge ("CDSC") computed on a pro rata temporis as outline below so as to compensate the SCC borne by the Merging Sub-funds for the A2 share classes:

- Year 1 (after the subscription): 5% of the redemption proceed pro rata temporis;
- Year 2: 4% of the redemption proceed pro rata temporis;
- Year 3: 3% of the redemption proceed pro rata temporis;
- Year 4: 2% of the redemption proceed pro rata temporis;
- Year 5: 1% of the redemption proceed pro rata temporis.

Such a CDSC will then be deducted from redemption proceeds.

The attention of the Shareholders within the A2 share classes of the Merging Sub-Funds is furthermore drawn to the fact that as a result of the Merger, the amortization period for the SCC will be reset and not taken into account for the purpose of the CDSC in the A2 share classes of the Receiving Sub-funds. Therefore, Shareholders being merged into the A2 share classes of the Receiving Sub-funds might be charged a CDSC in case of redemption in the first five (5) years following the Merger as further described in the prospectus of the Receiving Sub-Funds.

The Shareholders should read the latest Key Investor Information Document (the "**KIID**") of the Receiving Sub-Funds carefully in order to make an informed decision.

In compliance with the provisions of the Luxembourg Law, such a minimum one (1) month period must end at least 5 working days before the Effective Date. New subscriptions, conversions and/or redemption orders relating to shares of the Merging Sub-Fund shall be suspended as of 5 p.m. CET on 2 October 2020 (the **"Cut-Off Time"**). Orders received between the Cut-Off Time and the Effective Date of the Merger will be rejected.

As a consequence, thereof, the Merger will be binding for all the shareholders of the Merging Sub-Fund who have not exercised their right or requested the redemption of their shares, free of charge by the Cut-Off Time. On the Effective Date, shareholders of the Merging Sub-Fund will become shareholders of the Receiving Sub-Fund.

II. COSTS OF THE MERGER

In compliance with the Luxembourg Law, no cost in connection to the preparation and completion of the Merger shall be charged to the Merging Sub-Funds, to the Receiving Sub-Funds or to any of their shareholders.

The expenses incurred in the Merger, including the legal, audit and regulatory charges will not be borne by the Merging Sub-Funds. The outstanding liabilities of the Merging Sub-Funds generally comprise fees and expenses due, but not yet paid, (including outstanding setup costs) will be reflected in the net assets of the Merging Sub-Funds and will be discharged by the Merging Sub-Funds in due course.

SHAREHOLDERS' ATTENTION IS DRAWN TO THE FACT THE MERGER MAY CHANGE SHAREHOLDERS' TAX TREATMENT. FOR ADDITIONAL INFORMATION, IN PARTICULAR ON THE POTENTIAL TAX CONSEQUENCES OF THE MERGER, YOU SHOULD SEEK INDEPENDENT ADVICE FROM THE FUND, YOUR TAX ADVISOR, STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISOR.

III. DOCUMENTS RELATING TO THE MERGING AND RECEIVING SUB-FUNDS AVAILABLE FOR DISPLAY

Supplementary information can be requested any time by the Shareholders of the Merging Sub-Funds at the registered offices of Kensington Investment Funds and The Fund Group SICAV.

The following documents are also made available, free of charge and upon request, to the Shareholders of the Merging Sub-Funds at the registered offices of Kensington Investment Funds and The Fund Group SICAV:

1. Common draft terms of merger;
2. Latest prospectus of Kensington Investment Funds, including the related supplements of the Receiving Sub-Funds;
3. Latest prospectus of The Fund Group SICAV;
4. Latest articles of association of Kensington Investment Funds;
5. Latest articles of incorporation of The Fund Group SICAV;

6. Latest Key Investor Information Document (KIID) of Kensington Investment Funds - Kensington Multi Asset Cautious Fund and Kensington Investment Funds - Kensington Multi Asset Growth Fund;
7. Latest Key Investor Information Document (KIID) of The Fund Group SICAV - Balanced Portfolio Fund and The Fund Group SICAV - Enhanced Growth Fund;
8. Copy of the report prepared by the independent auditor of the Merging Sub-Funds, PricewaterhouseCoopers, *Société coopérative*, to validate the conditions foreseen under the Luxembourg Law (articles 71 *et seq.*);
9. Copy of the statements related to the Merger issued by the depositary banks of Kensington Investment Funds and The Fund Group SICAV, i.e. RBC Investor Services Bank S.A., in compliance with the Luxembourg Law (articles 67 *et seq.*);
10. The independent statutory auditor of the Fund on the Merger.

Yours Faithfully,

The Board of Directors of The Fund Group SICAV