Guinness European Equity Income Fund

INVESTMENT COMMENTARY – October 2020

Launch date	**19.12.2013**
Manager	**Nick Edwards**

Aim

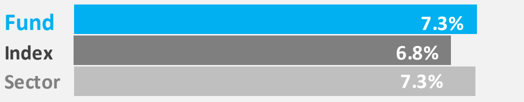
The Guinness European Equity Income Fund is designed to provide investors with exposure to high quality dividend-paying companies in the Europe ex UK region. The Fund aims to provide long-term capital appreciation and a source of income that has the potential to grow over time.

Performance 30.09.20

Fund	European Equity Income (Z Class, 0.35% OCF)
Index	MSCI Europe ex UK
Sector	IA Europe ex UK

	1 year	3 years	From launch
Fund	-2.1	7.9	61.0
Index	-0.5	6.7	56.4
Sector	3.1	7.3	60.8

Annualised % total return from launch (GBP)



Risk analysis (annualised, weekly, from launch)

	Index	Sector	Fund
Alpha	0.0	1.1	0.9
Beta	1.0	0.9	0.9
Info ratio	0.0	0.1	0.1
Max drwdn	-25.0	-24.4	-30.3
Tracking err	0	6	5
Volatility	15.9	14.7	15.7
Sharpe ratio	0.2	0.2	0.2

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Source: Financial Express, Z class 0.35%, bid to bid, total return.

Summary Performance

At the end of Q3 2020, the Guinness European Equity Income Fund had returned -4.7% year-to-date (in GBP) versus a -1.4% return for the MSCI Europe ex-UK Index. The fund returned 3.7% (in GBP) over the third quarter, +2.5% versus the MSCI Europe Ex UK Net Return Index, which rose 1.2% over the quarter. The fund outperformed MSCI Europe Growth, Value, High Dividend and Euro indices over the quarter.

	1 month	YTD	1 Yr	3 Yr	5 Yr	Since Launch
Fund	*2.0%*	*-4.7%*	*-2.1%*	*7.9%*	*61.5%*	*61.0%*
Index	0.6%	-1.4%	-0.5%	6.7%	55.5%	56.4%
Sector	0.3%	0.5%	3.1%	7.3%	54.8%	60.8%
Fund vs Sector	1.7%	-4.2%	-5.2%	0.6%	6.7%	0.2%

Figure 1: Performance data. Source: Financial Express 0.35% OCF. Cumulative Total Return in GBP as of 30.09.2020

European equities underperformed most regions (except the UK) over the quarter as concerns over resurgent Coronavirus cases took hold and fears of renewed lockdowns depressed markets. The Guinness European Equity Income Fund outperformed in this environment.

The main drivers of returns over the quarter were a resurgence of COVID-19 cases and associated fears of renewed lockdowns which impacted our aerospace and healthcare holdings, together with declining interest rates which impacted our insurance holdings.

Somewhat counterintuitively these same trends were drivers of strength in Industrials and Materials, which led performance. Helped by the pandemic response to resilience (automation and communications) on the one hand and job creation (green fiscal policy and infrastructure spend) on the other.

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The fund has outperformed its benchmark the MSCI Europe ex UK Net Return Index over most main timeframes: three years, five years and since inception. While performance is still behind the Index YTD and the FY 2020 dividend will be lower YoY, the changes we made to the fund following the outset of the pandemic have tilted the fund towards high quality companies that provide long-term solutions to this crisis.

Quarter in review

Company news over the quarter was encouraging, with many names displaying a growing opportunity set coming out of the crisis.

- **Novo Nordisk** results highlighted the potential for 10% eps CAGR out to 2030 driven by its core GLP-1 franchise that may now also prove efficacious in reducing COVID risk.
- **Roche** Pharma investor day highlighted 23 drugs in late stage PIII pipeline vs. 10 in 2018. Just what is in consensus more than offsets biosimilar attrition from Avastin, Rituxan and Hemlibra, suggesting good scope for acceleration and rerating
- **Siemens** spun out its Energy division giving us more exposure to its high-quality high return automation and software business.
- **Schneider's Aveva** announced it will acquire **OSI Soft**, strengthening its position as an industrial software leader and giving it a strong foothold in the nascent buildings information modelling market (BIM), a market that should in turn benefit from the efficient buildings component of the European recovery package.
- **CapGemini** reported bookings +10.3% as customers look to increase agility, accelerating digital and cloud capex in response to the crisis.
- **Nestlé** continued its portfolio shift towards healthy and premium with the acquisition of Aimmune Therapeutics which develops treatments for food allergies.
- **Smurfit Kappa** peers reported price rises at a time that might normally be associated with weaker demand, underscoring the strength of the shift to sustainable packaging.
- **Bakkafrost** bought its state of the art Strond hatchery online. We think that the shift to larger (500g smolts) will drive a significant improvement in biologics.
- **Kering** reported strong online traction in Asia across WeChat and Instagram, highlighting how companies like Kering that use technology well look set to come out of the crisis stronger.
- **Konecranes, Deutsche Post** and **Sika**, our strongest performers for the quarter also released encouraging data points and are written up in more detail below.

Political and economic backdrop

The political backdrop continues to be as lively as ever. The latest concern being that the **European recovery fund** may be delayed by linking payments to the rule of law. We think that like other concerns this too will fade. Hungary and Poland may hold out for a while to soften the conditionality but ultimately will cede some ground, being two of the largest beneficiaries of the fund at >3% of 2019 GDP each. Meanwhile the "Frugal Four" (Netherlands, Austria, Sweden and Finland), while arguing for tighter regulation, will not ultimately want to be the cause of undue suffering to hard impacted economies nor to the real progress made towards capital markets union.

As far as the economy goes, we are broadly encouraged. PMI manufacturing data, consumer and Belgium business confidence all surprised to the upside over the last month. **Coronavirus** cases have rebounded sharply in areas but there is cause for optimism in the lack of rebound in no lock down Sweden and the

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apparent breakdown in linkage between new case numbers and hospitalisations. As shown in the performance tables below, Scandinavian countries (with robust healthcare systems) to which we remain overweight, were the best performing regions over the quarter. On **liquidity,** there is a lot of cash on the sidelines, as indicated by a 30% Q2 Euro savings rate; and recent deflationary CPI data will keep the European Central Bank disposed towards lending more help rather than less where needed. The news that the ECB may follow the Fed in moving towards flexible (2%) inflation targeting, underscoring this sentiment.

The **trend to green** showed further signs of strengthening with Isobel Schnabel's extraordinary speech of the 28th October, where she signalled the ECB's determination to take an active role on climate, being prepared to target "the green spread" or the difference in financing conditions for low-carbon and high carbon activities. This could include excluding bonds from eligility for ECB collateral or bond buying, adjusting discounts, and targeted green lending to banks. Meanwhile Germany's first green bond was oversubscribed to the tune of €32bn for €6bn in 10Y zero coupon debt, part of the Country's €12bn 2020 (2,5 and 30Y) issuance plan.

Interest in the **German 2021 general election** is likely to step up in the coming months as we near the CDU party convention on the 4th December 2021. No date has been set for the general election as yet, but the odds of a CDU candidate succeeding Angela Merkel to become CDU leader and Chancellor, have risen sharply following Mrs Merkel and the CDU's rise in the polls off the back of strong results in dealing with Coronavirus and launch of the European Recovery fund. All three CDU Candidates, Freidrich Merz, Armin Laschet and Norbert Rottgen, and popular outsider Markus Sodor (the prime minister of Bavaria) have displayed support for advancing European policy initiatives and integration. As such, whatever the outcome, we would expect to see more progress towards capital markets union and a green policy agenda.

Then of course there is **Brexit**. Here we see some chinks of light, as many of the original EU grounds for fear have been addressed. The idea that the UK might turn into Singapore on Thames seems more remote following the deterioration in public finances caused by Coronavirus. Meanwhile the sanctity of the EU's position vis-a-vis state aid has shifted in the UK's direction with Germany and France having massively ramped up state aid in the response to the crisis.

The Dividend

We had some good news over the quarter with previously cancelled dividends at Tieto and Smurfit Kappa returning to improve the second half 2020 payout. With so much of our income pushed into the second half of the year it does not make much sense to look at the 12m rolling dividend. On a 2021e basis the fund yield, at month end is approximately 3.4%, broadly in the middle of our European income peer group. The total payout will be lower YoY but the decision to tilt the portfolio towards enablers of resilience and job creation is, we feel, the right one. We remain focused on offering a concentrated portfolio of the best total return opportunities from our universe of high-quality European dividend paying companies.

Performance Drivers

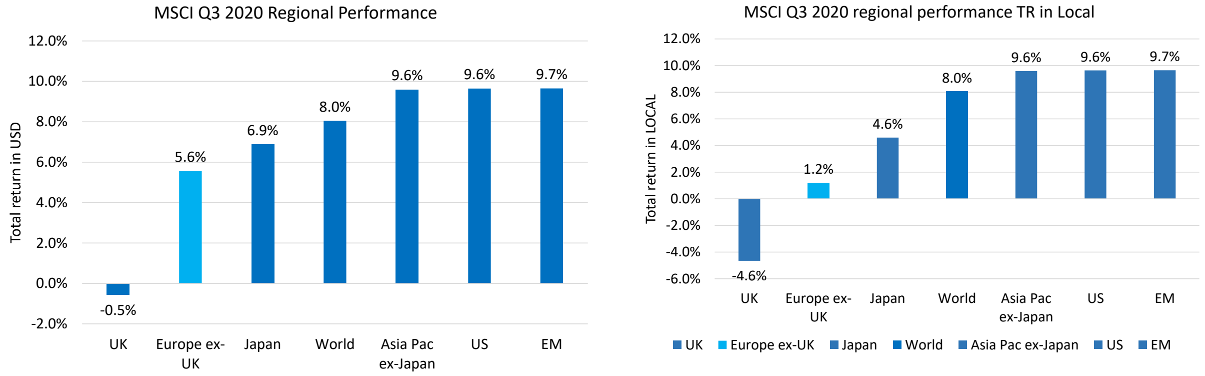

Figure 2: MSCI World Index geographic total return breakdown for Q3 2020, in USD (left) and Local currency (right). Europe ex UK in light blue. Source: Bloomberg

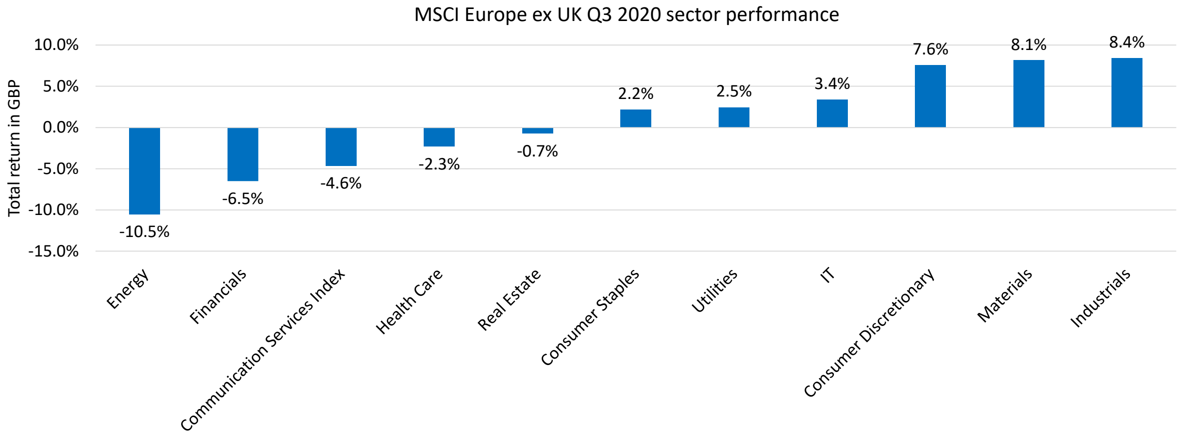

Figure 3: MSCI Europe ex UK Index sector total return breakdown for Q3 2020, in GBP. Source: Bloomberg

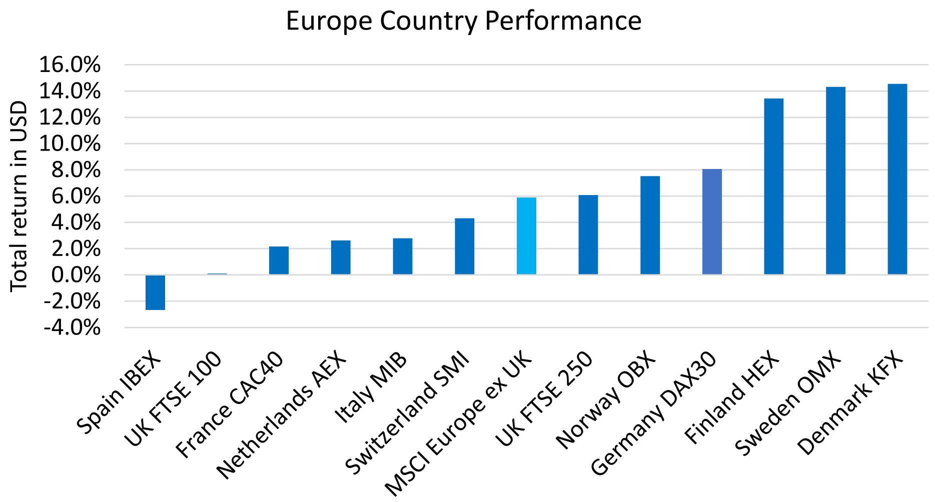

Figure 4: MSCI Europe ex UK Index country total return breakdown for Q3 2020, in GBP. Source: Bloomberg

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Positioning

The Guinness European Equity Income fund is characterised by a high 80% active share against the MSCI Europe Ex UK benchmark. Our focus on companies with good track records that are in charge of their own destiny and have the potential to deliver high and rising returns for a long-time to come means the fund has no exposure to cyclical and regulated sectors like Utilities, Real Estate, Energy and Banks. Meanwhile sectors like Industrials, Financials, Consumer Staples and Information Technology, in which your fund is overweight, hold many high quality and scalable companies.

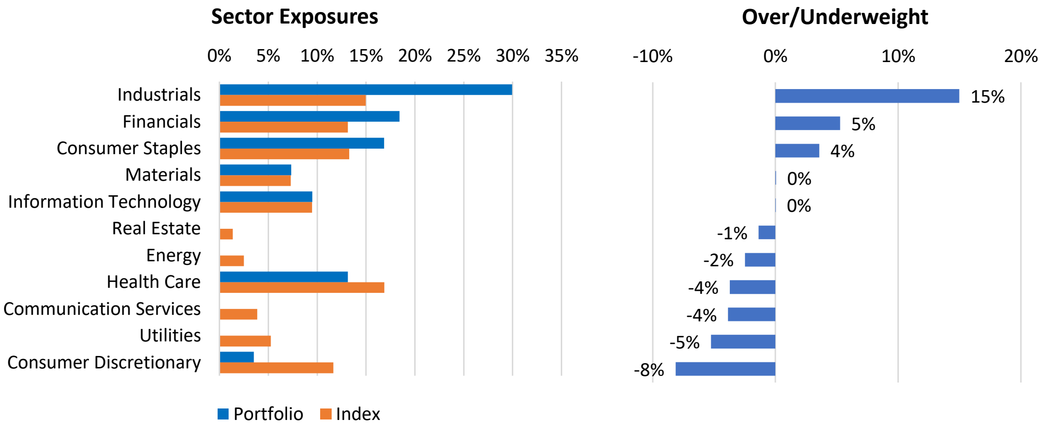

Figure 5: Sector over/underweight % breakdown of the fund versus MSCI Europe ex UK Index. Source: Guinness Asset Management, Bloomberg (data as at 30.09.2020).

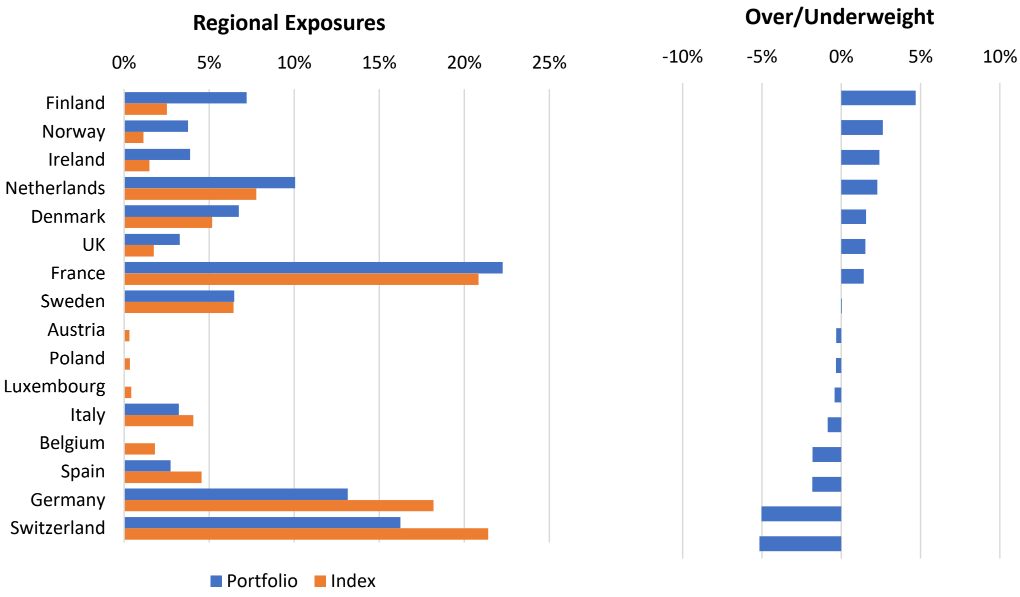

Figure 6: Regional breakdown of the fund. Source: Guinness Asset Management, Bloomberg (data as at 30.09.2020)

The fund's country over and underweight positions result from a pull between two factors. Naturally France and Germany represent high absolute weights in the index at 21.8% and 19.4% respectively; but it is also the case that we simply find a greater number of high-quality companies with strong prospects in "high IP" markets and regions with good corporate governance like Scandinavia.

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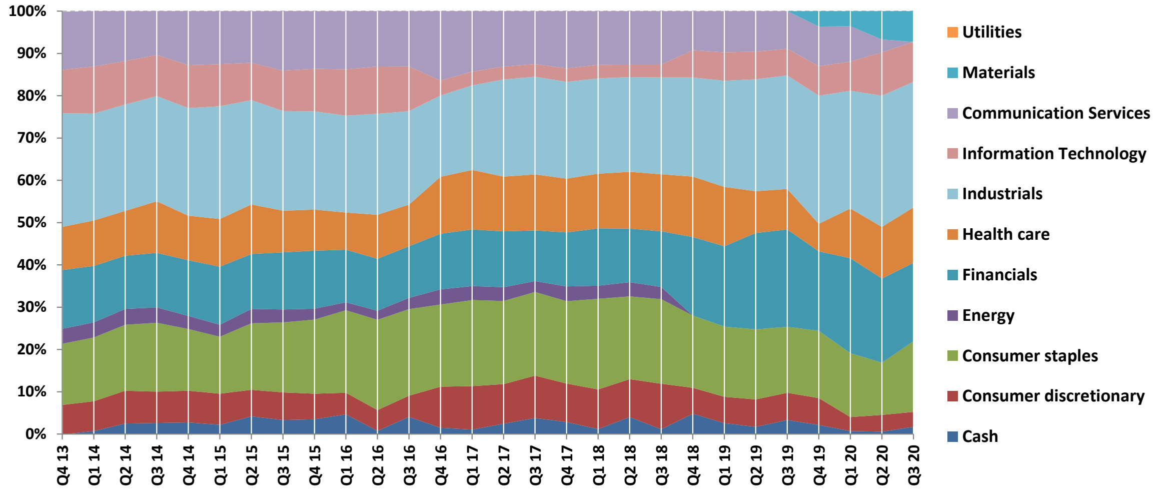

Figure 7: Portfolio sector breakdown at end Q3 2020

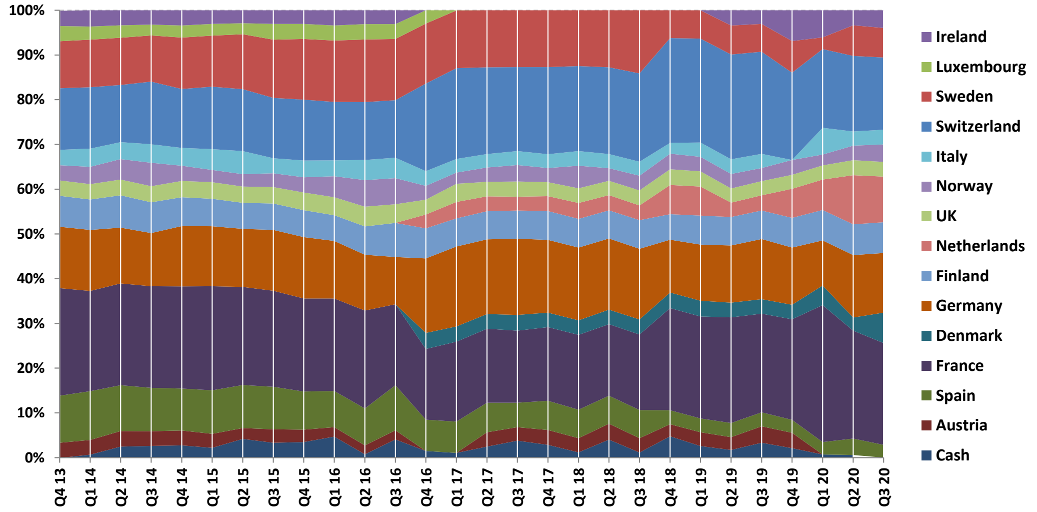

Figure 8: Portfolio geographic breakdown by domicile at end Q3 2020

The fund made one portfolio change in Q3 2020, acquiring Bakkafrost and selling Millicom, the rationale for which was written up in the August monthly fund report available on the Guinness website.

Individual companies that performed well in Q3 (in EUR) were **Konecranes** +36.1%, **Deutsche Post** +22.6%, **Sika** +22.4%, **Euronext** +19.8% and **Kering** +17.2%.

Companies that detracted from performance in Q3 were **Mapfre** -15.6%, **Amundi** -13.6%, **Helvetia** -12.6%, **Axa** -11.9% and **Thales** -10.7%.

Overleaf we comment on a selection of the best and worst performing stocks, with additional text on Roche where the recent investor day deserves further comment.

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Konecranes (+36% over Q3, in EUR) closed the quarter with the announcement that it will merge as equals with its long-time Finnish competitor **Cargotec**. It will be some 18 months before global competition authorities are done and a new board formed, whereupon we will know more detail about the precise shape of the group. That perhaps it took the current crisis to nudge the two over the line is a moot point, the industrial logic is clear. Both companies are leaders in lifting automation and services, with combined service revenue amounting to approximately 40% of €7bn of sales across 800 sites, building on Konecranes position as the only company with global industrial crane servicing capability. The combination of Cargotec's Kalmar (global #2) and Konecranes' Port Solutions (#3) divisions will create a world leader in container port equipment handling, meaning that all segments will occupy #1 or #2 positions. The merger is timely, allowing the combined R&D and innovation firepower of the two groups to drive growth, offering customers more digital capabilities, ranging from predictive maintenance and monitoring to safety and sustainable practice. The latter in high demand from a customer base spanning process and transportation industries. Initial company estimates forecast €100m of cost synergies, leading to operating margins of nearly 10%, above company specific 5Y histories of 5 – 7%. As a reminder the combined EV/sales multiple of the new group will still be around 0.6x, this is a far cry from the 3.7x that the elevator companies and former parent Kone Oyj trade on (with higher but not totally dissimilar levels of service revenue). Increased scale resulting in higher overall R&D spend and recurring higher margin service revenue could go a long way towards narrowing that the gap. And while we wait for the synergies to unfold there should be an extra €2/share dividend distribution in 2021.

Deutsche Post (+23% over Q3, in EUR) reported very strong numbers from the depths of the crisis. Few businesses managed to demonstrate rising returns in Q2, but Deutsche Post (DP) reported Q2 sales growth of 3.1% and EBIT growth of +26% YoY, extraordinary numbers for extraordinary times. Key drivers of return were the core Express (DHL & Time Definite International) division with sales +7.9% and Freight Forwarding +11.2%. The COVID-19 lockdown underscoring the systemic importance of DP's proprietary express network and airfreight capacity. What we really like about DP is its very strong market position in Express TDI set against a still fragmented wider logistics market. DP TDI (80% of Express which accounts of ~50% of Group EBIT) holds 39% market share in TDI ahead of Fedex at 30% and UPS at 22%, up around from 35% five years ago. Similarly, DHL Express B2C shipment market share has risen to 30% in 2020 vs. 10% in 2013, at 12% EBIT margin vs. 9% back in 2013. However in the context of the total logistics market the DHL brand occupies just ~5% market share but has a presence in around 19% of the market, suggesting good potential for the Group to continue to take share in adjacent markets and consolidate its leading position through digital and value added services. To this end DP is investing €2bn through 2025 in digitalisation and expects to see a yearly run rate benefit of €1.5bn driving yields (and margins). The group is also working hard to consolidate its position in higher growth emerging markets. To boot, this is a ship where all the stakeholders are on board, as shown by steadily improving employee and customer satisfaction scores. All of this suggests a good runway for long-term growth and returns, off a FY2 PE valuation of ~14x and a near 4% dividend yield, extraordinary in the context of the negative return potential on offer in the bond market.

Sika (+22% over Q3, in EUR) held its annual capital markets day in the last week of September. The most interesting thing about Sika is its position as market leader in construction chemicals, a fragmented market where it is the market leader with 9% market share (and the top 12 players hold just 42% share); leaving the Group uniquely positioned to consolidate the market. Sika targets 12% market share through 2023 on top of 2.5% / annum construction chemicals market growth (to CHF80bn from CHF70bn). This equates to a low teens sales

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CAGR and a mid to high teens EPS CAGR, when allied to 0.5% cost savings per annum driven by projects in logistics, procurement and product formulation. The level of innovation bodes well, with Sika announcing 93 new patents in 2019 along with 122 inventions, all focused on sustainability performance across five core technolgies: Concrete Tech (3D printing), Adhesive systems, Coating Systems, Cementitious Systems and Thermoplastic Systems. Sika estimates some 70% of products have a positive sustainable imapct, for example Sika ViscoCrete enables up to 40% water reduction and 25% cement content reduction. The digital fast forward is also working in Sika's favour, with increased data centre demand feeding into higher orders for Sika's roofing, concrete, fire and waterproofing solutions. While the EU Green Deal looks set to lend further support through buildings efficiency renovation. E-commerce related orders are +71% YTD in 2020, and Sika also notes that the pandemic has shifted a new generation of millenials and Gen X towards in its direction. Irrespective of multiples, this is a business with a great innovation engine and a long runway for sustainable growth.

Roche (-5.4% over Q3, in EUR) held its Pharma investor day in September which presented a good opportunity for us to review this long-standing core holding, the net of which being that the risk reward looks favourable. With the potential for significant equity upside set against no meaningful downside vs. historic average multiples. Along with very low risk of permanent capital loss given a nearly unleveraged balance sheet (with inherent optionality), high barriers to entry and a widening moat. Roche enjoys market leading positions in Diagnostics, Oncology and biotech (through Genentech), characterised by persistent market share gains in many areas, while continuing to increase levels of R&D/sales above existing sector highs. Roche's integrated business model leaves the company structurally advantaged for an era of targeted, digital and personalised medicine. The market is worried about major biologics coming off patent (and Trump threats regarding an executive order to most favoured nation (MFN) international drug pricing) when there is ample evidence that overall top and bottom line growth looks set to accelerate above recent historic levels supported by a doubling of drugs in PIII development and increased capex and R&D. The quality of earnings and returns is improving driven by a growing installed base, higher levels of recurring service and consumables sales (with 60% of pharma sales now accompanied by companion diagnostics) and the move to a decentralised and incentivised structure. Roche is a company that shareholders can feel good about owning for the long-term, unique and vital to its customers, focused on what matters - better medicine at lower cost to society, and looking after all of its stakeholders and its shareholders simultaneously.

Mapfre shares appear significantly undervalued. Our insurance holdings were our worst performers over Q3, of which Mafre (-15.6%, in EUR) fell most. We see a disconnect here. Mapfre is the market leader in Spanish motor insurance and top three in Brazil. For Mapfre there were two key drivers of the share price move lower. First, resurgent Coronovirus cases in Spain and Brazil, and second, the wider hit to sentiment for the whole sector as a London court ruled in favour of holders of business interruption insurance, which was seen as a reference point for European courts. Mapfre's stock now trades on a price to book multiple of under 0.5x vs. a 10Y average of 0.9x and a 20Y average of 1.2x. Return on equity has also fallen to 6.8% vs. 10% last year, but this is a short-term effect. Solvency remains robust with a ratio of 177% seen rebounding to >190% in short-order and a non-life combined ratio of 96.7% vs. 96% YoY. What is encouraging to us is that Mafre has no meaningful exposure to business interruption insurance (except second order effects via its reinsurance business) and that traffic levels in Madrid have now rebounded to pre-pandemic levels. The H2 dividend decision has been put off until Q3 numbers are published but there is a good chance that the dividend is alive and well, and that the market may be positively surprised by trading for the rest of the year vis-à-vis a share price which is pricing impairment. Mapfre was at pains to point out during its Q2 call that it has suffered no meaningful real estate (4.7% of

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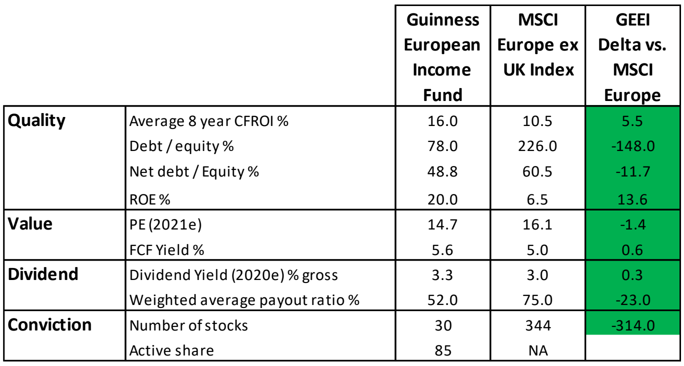
assets) or wider equity impairment. Time will tell, but the presence of a conservative long-term thinking active shareholder looks to have been mispriced by the market.

Key Fund Metrics Today

The four key tenets to our approach are: quality, value, dividend, and conviction. We follow these metrics at the portfolio level to make sure we are providing what we say we will. At the quarter end, we are pleased to report that the portfolio continues to deliver on all four of these measures relative to the benchmark MSCI Europe ex UK Index.



		Guinness European Income Fund	MSCI Europe ex UK Index	GEEI Delta vs. MSCI Europe
Quality	Average 8 year CFROI %	16.0	10.5	5.5
	Debt / equity %	78.0	226.0	-148.0
	Net debt / Equity %	48.8	60.5	-11.7
	ROE %	20.0	6.5	13.6
Value	PE (2021e)	14.7	16.1	-1.4
	FCF Yield %	5.6	5.0	0.6
Dividend	Dividend Yield (2020e) % gross	3.3	3.0	0.3
	Weighted average payout ratio %	52.0	75.0	-23.0
Conviction	Number of stocks	30	344	-314.0
	Active share	85	NA	

Source: Bloomberg, Guinness data

Figure 9: Portfolio metrics versus index. Source: Guinness Asset Management, Credit Suisse HOLT, Bloomberg (data as at 30.09.2020)

Outlook

The growthier side of our portfolio has done better than the more value orientated and economically sensitive parts as growth has become even more scarce and government bond yields continued to new lows. In our view your portfolio holds a healthy balance between staples and enablers of resilience and job creation (digital, automation and infrastructure) on the one hand and more economically sensitive industrials and insurers that should benefit from the large green fiscal stimulus that is on its way in the form of the Next Gen EU €750bn package accompanied by progress towards capital markets union and the creation of a long-dated European yield curve.

Whatever the weather a portfolio of high-quality dividend paying companies with strong balance sheets is a good place to be. That our companies are characterised by leading market positions, widening moats, aligned interests and long runways for growth, means you shouldn’t worry too much about shorter term economic fluctuations. Politics will remain a feature of European markets; with a tailwind to the Angla Merkel’s CDU party going into the German general election next year, implying further progress towards capital markets union, there is a good chance that the narrative will continue to move in Europe’s favour. After some eighteen months of net European regional equity outflows, a turnaround in sentiment could have quite a meaningful impact on European equity performance.

Based on the above table, holistically, the high-conviction fund has companies which are better quality at better value verses the index. We will continue to work hard to deliver long-term capital growth and a steady, growing income stream.

We thank you for your continued support.

Nick Edwards

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Guinness European Equity Income Fund

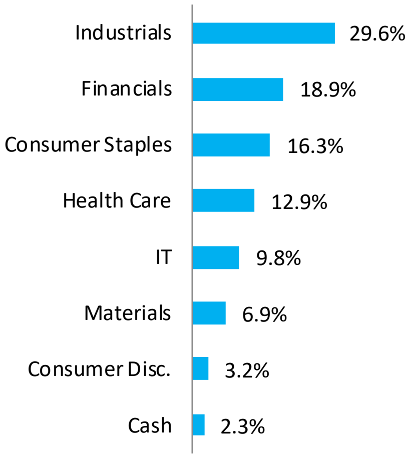
PORTFOLIO

30/09/2020

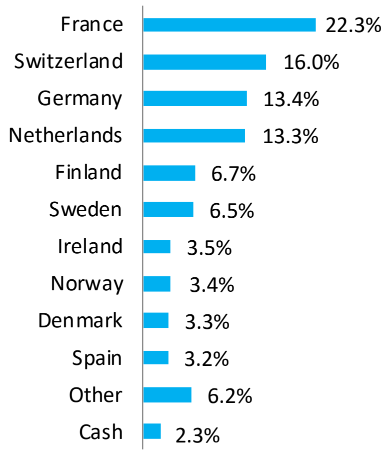
Fund top 10 holdings

Deutsche Post	3.9%
Smurfit Kappa Group	3.5%
Capgemini SE	3.5%
UNILEVER NV	3.5%
Euronext	3.4%
Salmar	3.4%
Aalberts	3.4%
Tieto	3.3%
Sika	3.3%
Epiroc AB	3.3%
% of Fund in top 10	34.6%
Total number of stocks	30

Sector analysis



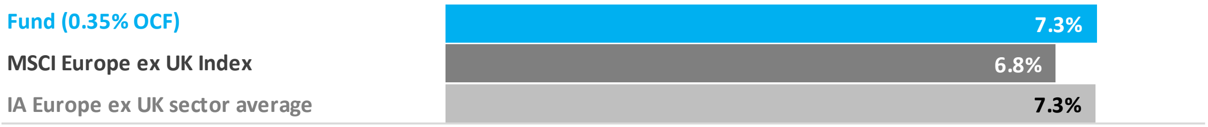
Geographic allocation



PERFORMANCE

30/09/2020

Annualised % total return from launch (19/12/2013 in GBP)



Discrete years % total return (GBP)	Sep '20	Sep '19	Sep '18	Sep '17	Sep '16
Fund (0.35% OCF)	-2.1	9.8	0.4	16.1	28.9
MSCI Europe ex UK Index	-0.5	5.9	1.4	21.5	19.9
IA Europe ex UK sector average	3.1	2.2	1.9	21.9	18.4

Cumulative % total return (GBP)	1 month	Year-to-date	1 year	3 years	5 years	From launch
Fund (0.35% OCF)	2.0	-4.7	-2.1	7.9	61.5	61.0
MSCI Europe ex UK Index	0.6	-1.4	-0.5	6.7	55.5	56.4
IA Europe ex UK sector average	0.3	0.5	3.1	7.3	54.8	60.8

RISK ANALYSIS

30/09/2020

Annualised, weekly, from launch on 19.12.13, in GBP	Index	Sector	Fund
Alpha	0.00	1.07	0.91
Beta	1.00	0.87	0.93
Information ratio	0.00	0.05	0.08
Maximum drawdown	-25.02	-24.43	-30.29
R squared	1.00	0.88	0.89
Sharpe ratio	0.19	0.23	0.23
Tracking error	0.00	5.54	5.24
Volatility	15.91	14.73	15.73

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Important information

Issued by Guinness Asset Management Limited, authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about equities and equity markets invested in by the Guinness European Equity Income Fund. It may provide information about the Fund's portfolio, including recent activity and performance. It contains facts relating to the equity markets and our own interpretation. Any investment decision should take account of the subjectivity of the comments contained in the report.

This document is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing, but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Fund or to buy or sell individual securities, nor does it constitute an offer for sale.

Risk
The Guinness European Equity Income Fund is an equity fund. Investors should be willing and able to assume the risks of equity investing. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. The Fund invests only in stocks of companies that are traded on European stock exchanges or that do at least half of their business in Asia; it is therefore susceptible to the performance of that region, and can be volatile. Details on the risk factors are included in the Fund's documentation, available on our website. Shareholders should note that all or part of the fees and expenses will be charged to the capital of the Fund. This will have the effect of lowering the capital value of your investment.

Documentation
The documentation needed to make an investment, including the Prospectus, the Key Investor Information Document (KIID) and the Application Form, is available from the website www.guinnessfunds.com, or free of charge from:-

- the Manager: Link Fund Manager Solutions (Ireland) Ltd, 2 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland; or,
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Residency
In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

Structure & regulation
The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

Switzerland
This is an advertising document. The prospectus and KIID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland, Carnegie Fund Services S.A., 11, rue du Général-Dufour, 1204 Geneva, Switzerland, Tel. +41 22 705 11 77, www.carnegie-fund-services.ch. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Ile, 1204 Geneva, Switzerland.

Singapore

The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ('SFA') and this material is limited to the investors in those categories

Telephone calls will be recorded and monitored.