

Ruffer SICAV



Société d'Investissement à Capital Variable

15, avenue J.F. Kennedy
L-1855 Luxembourg
R.C.S. Luxembourg B.161.817
(the 'Company')

Notice to the Shareholders

Dear Shareholder,

The board of directors of Ruffer SICAV (the 'Board') is writing to you to inform you of the following changes, which are proposed to be brought to the last visa-stamped prospectus of the Company dated August 2019 (the 'Prospectus').

1 Change to the distribution setup of the Company

In the context of Brexit, the Board needed to change the distribution setup of the Company.

As a consequence, the current global distributor of the Company, Ruffer LLP ('Ruffer London'), will remain distributor for investors outside the European Economic Area, while Ruffer S.A. ('Ruffer Paris') has been appointed for investors within the European Economic Area. Ruffer S.A. is a subsidiary of Ruffer London and has the requisite permissions to perform services for clients and investors in the European Economic Area.

Subject to applicable law and regulations, Ruffer London and Ruffer Paris, at their absolute discretion, may on a negotiated basis and based on objective criteria (eg investors that are investing large amounts either initially or are anticipated to do so over time such as platform service providers or those who are cornerstone or early investors in a given Sub-Fund or large account managed by the investment manager of the Company), may enter into private arrangements with Shareholders and prospective Shareholders pursuant to which Ruffer London and Ruffer Paris may make payments (or 'rebates') of all or part of the fees received by them.

Consequently, the effective net fees payable by a Shareholder who is entitled to receive a rebate under the arrangements described above may be lower than the fees payable by a Shareholder who does not participate in such arrangements.

Investors' attention is drawn to the fact that the subscription fees when charged in accordance with the relevant supplement are paid to the investment manager of the Company in remuneration of certain services rendered to the Company as 'product manufacturer'.

The appointments of both Ruffer London and Ruffer Paris will not impact the performance of the services or the amount of aggregate fees as are currently payable by the Company.

2 Material change to Ruffer Total Return International

The Board has decided to amend the investment policy and objective of Ruffer Total Return International by giving the Company the ability to use variance swaps.

A variance swap references the variance of an underlying asset with the aim of benefitting from differences between the volatility anticipated by market participants (the 'implied volatility') and the realised volatility of the underlying asset. Variance swaps are financial contracts that allow investors to gain exposure to the variance (squared volatility) of an underlying asset and, in particular, to trade future realised (or actual) volatility against current implied volatility.

As a consequence, the 8th paragraph of the investment policy and objective of Ruffer Total Return International has been amended, as follows (new wording has been underlined):

‘For hedging and for any investment purposes, within the limits set out in the investment restrictions in the main body of the Prospectus, the Sub-Fund may use all types of financial derivative instruments traded on a regulated market and/or over the counter (OTC), provided they are contracted with leading financial institutions specialised in these types of transactions. In particular, the Sub-Fund may take exposure through any financial derivative instrument such as, but not limited to, warrants, futures, options, swaps (including but not limited to total return swaps, variance swaps, contracts for difference and credit default swaps) and forwards on any underlying in line with the Law of 2010 relating to undertakings for collective investment as well as the investment policy of the Sub-Fund, including but not limited to currencies (including non-deliverable forwards), interest rates, Transferable Securities, baskets of Transferable Securities, eligible financial indices and UCIs.’

Shareholders disagreeing with the change described above may redeem their shares or convert out of the Ruffer Total Return International free of any charge from the date of this notice until 22nd November 2020.

The following sub-section has been inserted within the section ‘Techniques and Instruments’ as well–

‘4. Variance swaps

In order to pursue a Sub-Fund’s investment objective, the Investment Manager on behalf of a Sub-Fund may actively buy variance swaps (‘Variance Swaps’) referencing the variance of an underlying asset with the aim of benefitting from differences between the volatility anticipated by market participants (the ‘implied volatility’) and the realised volatility of that underlying asset. Variance Swaps are financial contracts that allow investors to gain exposure to the variance (squared volatility) of an underlying asset and, in particular, to trade future realised (or actual) volatility against current implied volatility.

In order to manage some of the market risks associated with the investment in Variance Swaps, the Investment Manager may also buy or sell other derivatives on volatility indices. Volatility indices are a measure of the implied volatility in certain markets.’

3 Clarifications and non-material changes

- The shares of the Company are now available to US investors under certain conditions and the Prospectus has been updated accordingly, notably the section ‘**Important Information**’ and its sub-section ‘**Investment Restrictions applying to US Investors**’, and the section ‘**General Information**’ with the inclusion of a new sub-section ‘**US Definitions**’.
- The section ‘**Important Information**’ has been updated with regard to the offering of the shares of the Company in Canada and Portugal.
- The list of conducting persons of the management company within the section ‘**Directory**’ has been updated.
- The definition of ‘**Business Day**’ within the section ‘**Glossary of terms**’ has been clarified by indicating that it is any day (other than a Saturday or Sunday) on which commercial banks are open for the whole day for business in Luxembourg, and in the jurisdictions as specified for each Sub-Fund in the relevant Supplement, as the case may be.
- The definition of ‘**Regulated Market**’ within the section ‘**Glossary of terms**’ has been updated with the most recent reference to the markets in financial instruments directive.
- Further to the full review of the Prospectus from a tax perspective, the sections ‘**Risk Factors**’ and ‘**Taxation in Luxembourg**’ have been updated with the most recent legal and regulatory framework.
- Further to the CSSF Circular 19/733 of 20 December 2019 on the IOSCO Recommendations on Liquidity Risk Management, the section ‘**Risk Management Process**’ has been supplemented by a new sub-section ‘**Liquidity Risk Management**’ which describes the liquidity management policy

established by the management company as well as the liquidity management systems and procedures applicable to the Company.

- The risk factor ‘UK Referendum on its Membership of the European Union’ within the section ‘Risk Factors’ has been replaced by a new one being ‘Withdrawal of the United Kingdom from the EU’ with the most up-to-date information on Brexit.
- A new risk factor ‘Epidemics/pandemics/outbreaks risk’ has been added within the section ‘Risk Factors’.
- The sub-section ‘Money Laundering and Terrorist Financing’ from section ‘Issue and sale of Shares’ has been updated with the most up-to-date legal and regulatory framework.
- Further to the update of March 2019 of the ESMA Q&A on the applicability of the UCITS Directive, the investment policies and objectives of each Sub-Fund have been clarified in respect of benchmarks that may be referenced, as follows –

Name of the Sub-Fund	Clarification made to the investment policy and objective
Ruffer Total Return International	‘The Sub-Fund is not a tracker fund and is actively managed. The Sub-Fund is managed in reference to a benchmark as its performance is measured against the FTSE All-Share Index Total Return (ticker: ASXTR) and the FTSE Govt All Stocks Total Return Index (ticker: FTFIBGT).’
Ruffer UK Mid and Smaller Companies Fund*	‘The Sub-Fund is not a tracker fund and is actively managed. The Sub-Fund is managed in reference to a benchmark as its performance is measured against the FTSE All-Share Index Total Return (ticker: ASXTR).’
Ruffer Fixed Income*	‘The Sub-Fund is actively managed. The Sub-Fund has no benchmark index and is not managed in reference to a benchmark index.’

- The Revised Prospectus now reflects the arrival of Ms. Aude Lemogne as a director of the Company as from 2 December 2019.
- New share classes OI Euro capitalisation**, OI USD capitalisation**, and Z AUD capitalisation** are now available for subscription within Ruffer Total Return International.

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The above changes and clarifications will be reflected in a revised Prospectus dated November 2020.

A copy of this revised Prospectus will be available upon request at the registered office of the Company.

Capitalised terms used in this notice shall have the same meaning ascribed to them in the Prospectus unless the context otherwise requires.

Should you have any questions in relation to the above, please contact the Company at the address above.

Yours faithfully,

Luxembourg, 22nd October 2020

The Board

*This sub-fund is not registered in Ireland

*This share class is not registered in Ireland