

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product: Ordinary Shares of 25 pence each nominal value issued by Northern Investors Company PLC (registered number 01822966) (“Shares”) ISIN: GB00B08S4K30

Names of PRIIP manufacturers: Northern Investors Company PLC (“the Company”)

Website for the PRIIP manufacturer: www.nvm.co.uk

Call this telephone number for more information: +44 (0)191 244 6000

Competent Authority of the PRIIP Manufacturer in relation to the KID: UK Financial Conduct Authority

Date of production of this Key Information Document: 29 December 2017

Comprehension alert:

YOU ARE ABOUT TO PURCHASE A PRODUCT THAT IS NOT SIMPLE AND MAY BE DIFFICULT TO UNDERSTAND.

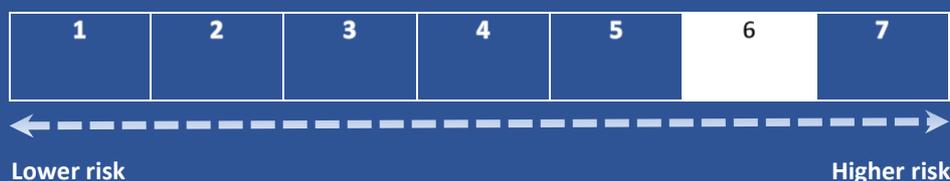
What is this product?

Type: Investment Trust

Objectives: The orderly liquidation of the Company’s existing investments and the return of capital to investors. This process is expected to continue through and be completed by the end of the calendar year 2018 following which the Company will be placed in liquidation. **The recommended holding period:** is accordingly a period of 12-18 months within which this process should be completed. **Bid-offer spread:** Pending liquidation Shares may be bought and sold via markets. Typically, at any given time on any given day, the price you pay for a Share will be higher than the price at which you could sell it. **Intended retail investor:** a UK individual who is capable of understanding and is comfortable with the risks of an investment in an investment trust which is in the process of liquidating its assets in order to return capital to investors in an orderly fashion.

What are the risks and what could I get in return?

Risk Indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. We have classified this product as a 6 out of 7 which is the second highest risk class because three of the remaining five investments held by the Company each represent over 10% (and, in aggregate, approximately 92%) of the Company’s total portfolio and therefore represent a significant credit risk for the Company. The risk indicator assumes you keep the product until liquidation of the Company. This investment offers no capital guarantee against credit risk. If the underlying companies in which the Company invests do not pay what they owe the Company you could lose part of the capital you invest (but you do not bear the risk of incurring additional financial obligations or commitments). The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may not be able to sell your product easily or you may have to sell at a price that significantly impacts on how much you get back. This liquidity risk is not contractual but is due to there being a limited secondary market for the shares in an investment trust which is in the process of liquidating its assets with a view to returning capital to shareholders in an orderly way. This investment offers no capital protection against future market performance so you could lose all or part of your investment if you sell in a poor market.

Performance Scenarios

The table below shows the money you could get back over the remaining life of the Company under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where the Company is not able to pay you. This product cannot be easily cashed in. This means it is difficult to estimate how much you would get back if you cash in before the end of the recommended holding period. You will either be unable to cash in early or you will have to pay high costs or make a large loss if you do.

Investment Scenarios		One year	18 months (recommended holding period)
Stress scenario	What you might get back after costs	£294	£2,281
	Average return each year	(97.1%)	(56.6%)
Unfavourable scenario	What you might get back after costs	£7,393	£6,742
	Average return each year	(26.1%)	(21.7%)
Moderate scenario	What you might get back after costs	£10,038	£10,158
	Average return each year	0.4%	1.0%
Favourable scenario	What you might get back after costs	£13,349	£14,707
	Average return each year	33.5%	28.1%

What happens if the PRIIP Manufacturer is unable to pay out?

The Company has invested in smaller and unquoted companies which involve a higher degree of risk than investment in larger listed companies because they generally have limited product lines, markets and financial resources and may be more dependent on their management or key individuals. The value of the Shares and the income derived from them is dependent on the performance of the Company's underlying investments and can fluctuate. Investors could lose all or part of their investment. Your capital is at risk. As a shareholder of the Company you would not be able to make a claim to the Financial Services Compensation Scheme about the Company in the event that the Company is unable to pay out.

What are the costs?

The Reduction in Yield (RIY) in the table below shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for two different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

Costs over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time

Investment Scenarios	If you cash in after twelve months*	If you cash in after 18 months**
Total costs	£1,730	£2,596
Impact on return (RIY) per year	17.3%	16.7%

*This product cannot be easily realised. This means it is difficult to estimate how much you would get back if you attempt to realise your investment early. You will either be unable to realise your investment early or you will have to pay high costs or make a large loss if you do so.
 ** Assuming liquidation occurs at this time.

Composition of costs

The table below shows: the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period and the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0.0%	The impact of the costs you pay when entering your investment. Stamp duty reserve tax of 0.5% is payable if the Shares are purchased on the secondary market. You may also incur other costs, including broker commission and platform fees. The distributor will provide you with additional documents where necessary.
	Exit costs	1.1%	The final amount to be distributed to shareholders when the Company is liquidated will be reduced by the costs of the liquidation.
Ongoing costs	Other ongoing costs	10.4%	The Company incurs costs each year in respect of its management and operation.
Incidental costs	Performance fees	5.8%	The impact of the performance fee. The Manager is entitled to a performance fee equivalent to 12.5% of the cash distributed or capable of distribution to shareholders, assessed on an annual basis. Full provision has been made in the financial statements for amounts earned to date.

How long should I hold it and can I take money out early?

The recommended holding period: is until liquidation of the Company, expected within the next 12–18 months. The current political and economic uncertainty does not create an ideal backdrop for a straightforward realisation of the Company's five remaining investments and whilst the overall outcome is expected to be highly satisfactory the value of the remaining portfolio will not be known until it has been sold. Accordingly, as the Company aims to distribute the sale proceeds on a basis which is fair to all shareholders the Company does not currently have a policy to buy back its shares in the market prior to liquidation by reference to the current value of the investments as this may be higher or lower than the ultimate realisation value. Therefore, it is unlikely there will be a liquid market for the Shares and Investors may find it difficult to realise their investments.

How can I complain?

Complaints about the Company or this KID should be sent to: Mr Chris Mellor, Northern Investors Company PLC, Time Central, 32 Gallowgate, Newcastle upon Tyne NE1 4SN.

Other relevant information:

The cost, performance and risk calculations included in this KID follow the methodology prescribed by EU rules. Performance has been based on share price total return with dividends reinvested. You are recommended before making an investment decision to confirm with your independent financial adviser that you have the expertise, experience and knowledge to properly understand the risks of investing in the Company. Prospective investors should note that the value of an investment may not return the amount originally invested. Therefore, you should only make investments in the fund that you can afford to lose without having any significant impact on your overall financial position or commitments. Taxation levels, bases and reliefs may change if the law changes and the tax benefits of products will vary according to your personal circumstances: independent advice should therefore be sought.