



**ODDO BHF**  
ASSET MANAGEMENT

# *Prospectus and Terms of Investment*

ODDO BHF Money Market

1 September 2023

Investment management company:  
ODDO BHF Asset Management GmbH

Fund units are bought and sold on the basis of the Prospectus, the Key Information Document and the General Terms of Investment in conjunction with the Specific Terms of Investment, each as amended from time to time. The General Terms of Investment and Specific Terms of Investment are included in this document after the Prospectus. The Prospectus is to be provided on request and free of charge to potential purchasers of Fund units and to all investors in the Fund. It will be supplied together with the most recent published annual report and any subsequent half-yearly report. Potential purchasers of Fund units are also to be provided with the Key Information Document free of charge in good time prior to entering into any agreement. No information may be provided and no declarations made that deviate from the Prospectus. Any unit purchase based on information or declarations that are not contained in the Prospectus or the Key Information Document is exclusively at the buyer's own risk. The content of the Prospectus is supplemented by the latest annual report and any subsequent half-yearly report.

## INVESTMENT RESTRICTIONS FOR US PERSONS

ODDO BHF Asset Management GmbH and/or the Fund are not and will not be registered in accordance with the United States Investment Company Act of 1940, as amended. Units in the Fund are not and will not be registered in accordance with the United States Securities Act of 1933 as amended, or under the securities legislation of any state of the United States of America. Units in the Fund may not be offered or sold in the United States or to US Persons or for the account of US Persons. Potential purchasers of units may be required to state that they are not US Persons, are not acquiring units on behalf of US Persons and will not sell units on to US Persons. US Persons include, inter alia, private individuals who are resident in the United States. Partnerships or corporations may also be US Persons if they have been established in accordance with the laws of the USA or any US state, territory or possession.

## IMPORTANT LEGAL EFFECTS OF THE CONTRACTUAL RELATIONSHIP

By purchasing units, investors become co-owners of the assets held by the Fund in proportion to the number of units they own. The investor has no power of disposal over the assets. Units do not carry voting rights.

### Enforcement of rights

The legal relationship between ODDO BHF Asset Management GmbH and the investor is based on German law, as are any pre-contractual relations. The venue for any complaints arising from the contractual relationship brought against ODDO BHF Asset Management GmbH by the investor is the location of the registered office of ODDO BHF Asset Management GmbH. Investors who are consumers (see definition below) and live in another member state of the EU may also bring complaints before a competent court in their place of residence. Court judgments shall be enforced according to the German Code of Civil Procedure (*Zivilprozessordnung*), and where applicable the Act on Enforced Auction and Receivership (*Gesetz über die Zwangsversteigerung und die Zwangsverwaltung*) and the Insolvency Code (*Insolvenzordnung*). Since ODDO BHF Asset Management GmbH is subject to German law, judgments issued in Germany do not have to be recognised prior to their enforcement. Investors may assert their rights by bringing legal proceedings before the ordinary courts or by way of alternative dispute resolution proceedings, where such a procedure is available. ODDO BHF Asset Management GmbH has undertaken to participate in dispute resolution proceedings before a consumer arbitration body.

In the event of disputes, consumers may call upon the Investment Funds Ombudsman operated by the German Investment Funds Association (BVI Bundesverband Investment und Asset Management e.V.) as the competent consumer arbitration body. ODDO BHF Asset Management GmbH participates in arbitration proceedings before this body.

Contact details for the Investment Funds Ombudsman are as follows:

**Büro der Ombudsstelle des BVI**

Bundesverband Investment und Asset Management e.V.

Unter den Linden 42  
10117 Berlin

Tel.: +49 (0)30 6449046-0  
Fax: +49 (0)30 6449046-29  
E-mail: [info@ombudsstelle-investmentfonds.de](mailto:info@ombudsstelle-investmentfonds.de)  
Website: [www.ombudsstelle-investmentfonds.de](http://www.ombudsstelle-investmentfonds.de)

Consumers are private individuals who invest in the Fund for a purpose that cannot primarily be attributed to their trade or self-employment, i.e. who do so for personal reasons.

For disputes concerning the application of the rules under the German Civil Code (Bürgerliches Gesetzbuch) on remote sales (distance selling) of financial services, the relevant mediation body is the Mediation Body (Schlichtungsstelle) of the Deutsche Bundesbank.

Its contact details are as follows:

**Deutsche Bundesbank**

Mediation body

Postfach 111232  
60047 Frankfurt am Main

E-mail: [schlichtung@bundesbank.de](mailto:schlichtung@bundesbank.de)  
Website: [www.bundesbank.de](http://www.bundesbank.de)

The European Commission has set up an online dispute resolution platform at [www.ec.europa.eu/consumers/odr](http://www.ec.europa.eu/consumers/odr). Consumers can use this platform for the out-of-court resolution of disputes arising from buying goods or services online. The Company's e-mail address is: [kundenservice@oddo-bhf.com](mailto:kundenservice@oddo-bhf.com). The platform does not resolve disputes itself, but directs the parties towards the competent national arbitration body.

Arbitration proceedings do not affect your right to bring a dispute before the courts.

## RIGHT TO CANCEL A PURCHASE MADE OUTSIDE OF PERMANENT BUSINESS PREMISES

If units in open-ended investment funds are purchased on the basis of oral negotiations that take place outside the permanent premises of the seller or intermediary, the buyer has the right to cancel his/her undertaking to purchase within a period of two weeks without giving reasons; this cancellation must be given in text form. Buyers must be informed about their right of cancellation in the notice of sale or copy thereof. A right of cancellation also exists where the seller of the units or intermediary has no permanent business premises. No right of cancellation exists where the seller can prove that the buyer is either not a private individual entering into a legal transaction that cannot be attributed to his occupation (i.e. not a consumer) or that the negotiation took place at the buyer's initiative, i.e. the seller contacted the buyer for the negotiations on the basis of a prior solicitation by the buyer. No right of cancellation exists in respect of distance selling contracts, i.e. contracts that are made exclusively by remote communications (e.g. letters, telephone calls, email).

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# PROSPECTUS

## BASIC INFORMATION

ODDO BHF Money Market (the “Fund”) is a collective investment undertaking that pools capital from a number of investors in order to invest it for the benefit of those investors in accordance with a defined investment strategy (an “investment fund”). The Fund is an investment fund that conforms to Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (a “UCITS”), as referred to in the German Investment Code (Kapitalanlagegesetzbuch – the “Investment Code”). It is managed by ODDO BHF Asset Management GmbH (the “Company”) as a standard VNAV money market fund in accordance with Regulation (EU) 2017/1131 on money market funds<sup>1</sup>. The Company invests the capital invested with it in its own name for the common account of the investors in assets permitted under Regulation (EU) 2017/1131 and section 338(b) of the Investment Code in accordance with the principle of risk spreading. Such investments are made in the form of a common fund held separately from the Company’s own assets. The object of the Fund is limited to making capital investments using the monies invested in it in accordance with a defined investment strategy, such investments being managed on a collective basis; it may not conduct an operating business or undertake the active entrepreneurial management of the assets held. The assets in which the Company may invest the investors’ money and the conditions to which it must adhere in so doing are derived from Regulation (EU) 2017/1131 and section 338(b) of the Investment Code, the Regulations issued in connection therewith, the German Investment Tax Act (Investmentsteuergesetz) and the Terms of Investment, which govern the legal relationship between the investors and the Company. The Terms of Investment are made up of a General part and a Specific part (the “General Terms of Investment” and the “Specific Terms of Investment”). The Terms of Investment for retail investment funds must be approved by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – “BaFin”) before use. In the event of the Company’s insolvency, the Fund will not form part of the insolvency estate.

## Sales documentation and disclosure of information

The Prospectus, the Key Information Document, the Terms of Investment and the current annual and half-yearly reports can be obtained free of charge from the Company and the Depositary. Please visit [am.oddo-bhf.com](http://am.oddo-bhf.com) for information on the Company’s strategies for integrating sustainability risks into the investment process and on how it takes account of the material adverse impacts of investment decisions on sustainability factors for individual funds. Information on the Fund’s environmental or social attributes can be found at [am.oddo-bhf.com](http://am.oddo-bhf.com). Please visit [am.oddo-bhf.com](http://am.oddo-bhf.com) for information on the Company’s strategies for integrating sustainability risks into the investment process and on how it takes account of the material adverse impacts of investment decisions on sustainability factors for individual funds. Additional information on the investment limits applied in relation to the Fund’s risk management, the risk management methods and the latest developments in relation to the risk and rewards of the main categories of assets is available from the Company in electronic or written form. Additional information is available on request. Provided that a justified interest can be demonstrated, this will include information on the portfolios of all retail funds domiciled in Germany that are managed by ODDO BHF Asset Management GmbH, subject to a reasonable delay.

## Terms of Investment and changes thereto

A copy of the Terms of Investment is included in this document after the Prospectus. The Company may change the Terms of Investment. Changes to the Terms of Investment require the approval of BaFin. Changes to the Fund’s investment principles are only permitted on condition that the Company offers the investors the opportunity either to redeem their units at no additional cost before the change takes effect or to exchange their units free of charge for units in investment funds with similar investment principles, insofar as such funds are managed by the Company or another company in the Group. Planned changes are announced in the *Bundesanzeiger* (German Federal Gazette) and on the Company’s website, [am.oddo-bhf.com](http://am.oddo-bhf.com). If the changes concern fees and costs that may be taken from the Fund, or if they concern the investment principles of the Fund or significant investor rights, the investors will also be informed, via their custody account provider, through a medium on which information can be stored, accessed and reproduced unchanged for a period of time adequate for the purposes of the information, such as on paper or electronically (a “durable medium”). Such information will include the main content of the planned changes, the

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<sup>1</sup> Hereinafter referred to as Regulation (EU) 2017/1131.

background thereto, the rights of investors in connection with the changes and an indication of where and how further information can be obtained.

The changes will take effect on the day after their announcement at the earliest. Changes to rules regarding fees and costs will take effect no earlier than four weeks after their announcement, unless an earlier date has been set with BaFin's consent. Changes to the Fund's investment principles will likewise take effect no earlier than four weeks after their announcement.

## MANAGEMENT COMPANY

The Company is an investment management company within the meaning of the Investment Code, founded on 15 November 1969 and taking the legal form of a company with limited liability (GmbH). The name of the company is ODDO BHF Asset Management GmbH. The Company's registered office is in Düsseldorf. The Company has been authorised since 1970 to manage securities funds for private and institutional investors. The Company is licensed under section 20 of the German Investment Code to manage investment funds coming under the UCITS Directive (since 2006), Mixed Investment Funds (since 2006), Other Investment Funds (since 2009), Hedge Funds and Funds of Hedge Funds (since 2009), Domestic Closed-End Retail Investor AIFs (since 2009), Domestic Closed-End Special AIFs (since 2006), General Domestic Open-Ended Special AIFs (since 2006), and Special AIFs with Fixed Terms of Investment (since 2006), as well as being licensed for financial portfolio management, private wealth management and investment advice, the sale of units or shares in third-party investment funds and investment broking. The Company merged with FRANKFURT-TRUST Investment-Gesellschaft on 30 April 2018.

### Management and Supervisory Board

Further details of the management and the members of the Supervisory Board can be found at the end of the Prospectus. This information is updated in the annual report.

### Equity capital and additional own funds

Details of the authorised and paid-up capital of the Company can be found at the end of the Prospectus.

The Company has covered the professional liability risks that arise from the management of alternative investment funds ("AIFs", i.e. investment funds that do not conform to the UCITS Directive) and are attributable to the professional negligence of its boards or employees as follows: own funds of at least 0.01% of the portfolio value of all AIFs under management, this amount being subject to annual review and adjustment. This amount of own funds is covered by the amount of paid-up capital.

## DEPOSITARY

### Duties of the Depositary

The Investment Code requires the management and custodianship of funds to be kept separate. The Depositary holds the assets in blocked broker or bank accounts. Where the Depositary is unable to hold an asset, it checks whether the management company has acquired ownership of that asset. It monitors whether legal dispositions over the asset by the Company conform to the requirements of the Investment Code and to the Terms of Investment. The making and withdrawal of bank deposits at other credit institutions and dispositions over such bank deposits requires the Depositary's consent. The Depositary must grant such consent if making or disposition over deposits conforms to the Terms of Investment and the provisions of the Investment Code.

The Depositary also has the following specific tasks:

- issuing and redeeming units in the Fund,
- ensuring that the issue and redemption of units and the determination of unit values conform to the provisions of the Investment Code and to the Terms of Investment of the Fund,
- ensuring that the proceeds of transactions carried out for the common account of the investors are received into custody within the usual periods,
- ensuring that the income of the Fund is used in accordance with the provisions of the Investment Code and with the Terms of Investment.

## Conflicts of interest

Potential conflicts of interest are covered by the Company's conflict-of-interest management policy (see "Conflicts of interest" section).

## Liability of the Depositary

The Depositary is in principle responsible for all assets held in its custody or held with its consent in the custody of another entity. In the event of the loss of such an asset, the Depositary is liable to the Fund and its investors, unless the loss is attributable to events outside the Depositary's control. The Depositary will generally not be liable for damage that does not involve the loss of an asset unless it has failed to comply with its duties under the Investment Code, with negligence as the minimum criterion.

## Name, legal form and registered office of the Depositary

The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch, MesseTurm, Friedrich-Ebert-Anlage 49, 60327 Frankfurt am Main, has assumed the role of Depositary for the Fund. The Bank of New York Mellon SA/NV is a bank licensed in Belgium and supervised by the Belgian financial supervisor, which is the National Bank of Belgium. Custodial operations and associated services in Germany are carried out by the German branch office: The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch. This branch office is subject to prudential supervision by BaFin.

## Sub-custodians

Assets held for the account of the Fund are held in safekeeping by the Depositary and by sub-custodians engaged by the Depositary. The sub-custodians for the various markets are listed at the end of the Prospectus. Central securities depositories are not listed, as they are not sub-custodians actively engaged by the Depositary.

The following conflicts of interest may arise in relation to sub-custodians:

- With regard to conflicts of interest, please note that The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch uses The Bank of New York Mellon (parent company) as a sub-custodian and vice versa.
- Where sub-custodians (third parties) or their group companies provide other services to The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch in addition to custodianship, the risk of conflicts of interest is minimised by the fact that the companies/business units concerned have a duty of proper performance under the terms of their contract with The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch.

The Depositary has stated that it deals with conflicts of interest as follows:

- In relation to its operating activities, The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch, has developed guidelines for its companies and group affiliates that specify how conflicts of interest are to be dealt with. Functional and hierarchical separation is in place in order to prevent potential conflicts of interest from arising, for instance, when accepting tasks to be performed in relation to the Fund or for the Company acting for the account of the Fund. Company-wide codes lay down standards and methods for identifying potential or actual conflicts of interest that may arise from operating activities. These standards and methods include formalised processes for the regular monitoring and disclosure of conflicts of interest via an internal reporting system. Departments are obliged to disclose, monitor, manage and/or eliminate conflicts of interest in relation to current and planned activities and business relationships.

The foregoing information was provided to the Company by the Depositary. The Company has reviewed the plausibility of this information. However, it relies on information provided by the Depositary and cannot review its accuracy and completeness in detail.

## Additional information

On request, the Company will send investors up-to-date information about the Depositary and its duties, on the sub-custodians and on potential conflicts of interest in connection with the activities of the Depositary or sub-custodians.

## RISK INFORMATION

Before deciding whether to purchase units in the Fund, investors should read carefully the following risk information along with the other information in this Prospectus and take it into consideration in their investment decision. The occurrence of one or more of these risks may, either directly or in combination with other circumstances, have an adverse impact on the performance of the Fund and/or its assets and thus on the unit value. If investors sell units in the Fund when the market prices of the assets held by the Fund are lower than they were when the units were purchased, they will not recoup the full amount of capital they originally invested. Investors may lose some or even all of the capital they have invested in the Fund. Capital growth cannot be guaranteed. The investor's risk is limited to the amount invested. Investors are under no obligation to invest additional capital over and above the amount they originally invested. In addition to the risks and uncertainties described below or elsewhere in the Prospectus, the performance of the Fund may be adversely affected by other risks and uncertainties which are currently unknown. The order in which risks are listed below does not express any statement as to the likelihood of their occurrence or as to their extent or significance if they do occur.

The section below is a description of the risks typically associated with investing in an investment fund. These risks may have an adverse impact on unit values, on the capital invested by the investor and on the time for which the investor plans to remain invested in the Fund.

### **Fluctuation of unit values**

The value of Fund units is calculated by dividing the value of the Fund by the number of units in circulation. The value of the Fund is the sum of the market values of all assets held in the Fund, less the sum of the market values of all liabilities of the Fund. The value of a Fund unit therefore depends on the value of assets held in the Fund and the amount of the liabilities of the Fund. If the value of those assets falls, or the value of the liabilities rises, the value of a fund unit will fall.

### **Tax effects on personal outcomes**

The tax treatment of gains and income from investments depends on the investor's personal circumstances and may change in the future. Investors should consult their personal tax advisors on any specific queries, particularly as regards their personal tax situation.

### **Changes to the investment policy or Terms of Investment**

The Company may change the Terms of Investment, subject to approval by BaFin. Such changes may affect the rights of investors. By amending the Terms of Investment, the Company may, for example, alter the investment policy of the Fund or increase the fees charged to the Fund. The Company may also change the investment policy within the scope of the legally and contractually permitted spectrum of investments without changing the Terms of Investment or obtaining approval from BaFin. The risk associated with the Fund may change as a result.

### **Restrictions on redemptions**

The Company may restrict the redemption of units for a total of up to 15 consecutive business days if the investors' redemption requests on a settlement date exceed a predefined threshold above which such requests can no longer be carried out in the interest of all investors due to the Fund's liquidity position. If the threshold is reached or exceeded, the Company will decide at its discretion whether to limit redemption on that settlement date. If the Company decides to limit redemption, it may extend the restriction for up to 14 consecutive business days on the basis of a daily judgement call. If the Company decides to restrict the redemption, it will only redeem units on a pro rata basis at the redemption price applicable on the settlement date; otherwise the redemption obligation ceases to be applicable. This means that each redemption request will only be carried out on a pro rata basis, according to a quota determined by the Company. Neither will the unfulfilled portion of the order be carried out at a later date, but will be forfeited. The investor is therefore exposed to the risk that its order for the redemption of units will only be carried out on a pro rata basis and that it will have to place the outstanding remaining order again.

### **Suspension of redemptions**

The Company may temporarily suspend the redemption of units in exceptional circumstances where it appears necessary to do so, having regard to the interests of the investors. Exceptional circumstances in this sense may include political or economic crises or an exceptional volume of redemption requests, or the closure of exchanges or markets, trading restrictions or other factors that adversely affect the determination of unit values. In addition, BaFin may order the Company to suspend redemptions where it is in the interests of the investors or in the public interest

to do so. Investors may not redeem their units during this period. Unit values may fall while the redemption of units is suspended, for instance if the Company is compelled to sell assets at below their market value during the suspension period. Once redemptions have resumed, unit values may be lower than they were before the suspension. Suspension may lead directly to the winding-up of the Fund without redemptions having been resumed, for instance if the Company ceases management of the Fund in order to wind it up. The risk therefore exists for investors that they will not be able to achieve their planned holding period and that significant parts of their invested capital may be unavailable for an indefinite time or lost completely.

### **Winding-up of the Fund**

The Company has the right to cease management of the Fund. After ceasing management of the Fund, the Company may wind up the Fund. The right of disposition over the Fund shall pass to the Depositary after a notice period of six months. This means that there is a risk that investors will not be able to achieve the holding period they planned. Upon transfer to the Depositary, the Fund may become liable to other taxes in addition to German income tax. The investor may be liable to income taxes when the units are removed from the investor's custody account at the end of the liquidation process.

### **Full transfer of Fund assets to another open-ended retail investment fund (merger)**

The Company may transfer all of the Fund's assets to another UCITS. If this occurs, investors may redeem their units, keep them and become investors in the UCITS taking over the Fund, or exchange them for units in an open-ended retail investment fund with similar investment principles, provided that the Company or one of its affiliates manages such an investment fund with similar investment principles. The same shall apply if the Company transfers all of the assets of another open-ended retail investment fund into the Fund. In such an event, investors will therefore have to make a new investment decision earlier than planned. Redemption of the units may trigger a liability to income tax. If the units are exchanged for units in another investment fund with similar investment principles, the investor may be liable to tax, for instance if the value of the units received is higher than the value of the old units at the time of the original purchase.

### **Transfer of the Fund to another investment management company**

The Company may transfer the Fund to another investment management company. This will have no effect on the Fund or on the position of the investor. However, in the course of the transfer, investors will have to decide whether they believe the new investment management company is as suitable as the old one. If they do not wish to remain invested in the Fund under new management, they will have to redeem their units. A liability to income tax may arise.

### **Profitability and fulfilment of the investor's objectives**

It cannot be guaranteed that the investment will perform in line with the investor's expectations. The unit value of the Fund may fall, causing the investor to incur losses. Neither the Company nor any third party offers any guarantee as to a minimum redemption amount or the level of performance that the Fund will achieve. Investors may therefore receive less back than the original amount invested. Any entry charge levied on purchases of units or any exit charge levied on the sale of units may also reduce or entirely cancel out the positive returns from an investment, especially for short holding periods.

### **RISK OF ADVERSE PERFORMANCE (MARKET RISK)**

The risks associated with the Fund's investment in individual assets are set out below. These risks may adversely affect the performance of the Fund and its assets, and thus have an adverse impact on unit values and on the capital invested by the investor.

### **Sustainability risks**

Sustainability risks can jeopardise the Fund's assets. The term "sustainability risk" refers to environmental, social and governance (ESG) events and/or conditions that, if they occur, could have an actual or potential material adverse impact on the Fund's assets. Sustainability risks can either constitute risks in themselves or can affect and materially exacerbate other risks, such as price change risks, liquidity risks, counterparty risks or operational risks. These events or conditions are broken down into environmental, social and governance (ESG) categories and concern, for example, the following:

#### **ENVIRONMENTAL:**

- Climate change
- Adaptation to climate change

- Biodiversity protection
- Sustainable use and protection of water and marine resources
- Transition to a circular economy, waste prevention and recycling
- Pollution prevention and control
- Preservation of healthy ecosystems
- Sustainable land use

#### SOCIAL:

- Compliance with recognised labour law standards (no child or forced labour, no discrimination)
- Compliance with health and safety requirements
- Adequate pay, fair conditions in the workplace, diversity and opportunities for continuing professional development
- Freedom to organise and freedom of assembly
- Guarantees of sufficient product safety, including health protection
- Identical requirements for companies in the supply chain
- Inclusive projects and consideration of the interests of communities and minorities

#### GOVERNANCE:

- Tax compliance
- Anti-corruption measures
- Sustainability management from the Board of Directors
- Director remuneration tied to sustainability
- Whistleblowing system
- Employee rights guarantees
- Data protection guarantees
- Disclosure of information

Issuers whose securities are held by the fund either directly or indirectly may be exposed to financial or reputational risks resulting from non-compliance with ESG standards or from physical risks of climate change. Sustainability risks can lead to a material deterioration in the underlying investment's financial profile, liquidity, profitability or reputation. If sustainability risks are not anticipated and taken into account within investment valuations, they may have a considerable adverse impact on the anticipated/estimated market price and/or on the liquidity of the investment and, by extension, on the Fund's return.

#### **The impact of ESG risks**

The application of ESG criteria may influence the Fund's performance, which may therefore differ on the upside or on the downside from that of similar funds that do not apply ESG criteria. If exclusion criteria have been defined for a fund on the basis of environmental, social or ethical criteria, this may mean that the fund refrains from buying certain assets even if doing so would be advantageous; equally, the fund might sell assets even if doing so would be detrimental. The Fund's sector exclusions may not directly correlate with each individual investor's subjective ethical perspective. The assessment of a security or an issuer based on ESG criteria may rely on information and data from external ESG ratings providers that may be incomplete, incorrect or unavailable. There is therefore a risk that the assessment is inaccurate. ESG criteria may be incomplete, inaccurate, incorrectly applied, inappropriate or irrelevant, or the Fund may be indirectly exposed to issuers that do not fulfil the ESG criteria.

## Risk of change in value

The assets in which the Company invests on the Fund's behalf are subject to risks. For instance, losses may occur if the market value of assets falls relative to their acquisition price or if spot and forward prices move by different amounts.

## Capital markets risk

How financial products perform in terms of price or market value depends in particular on the performance of the capital markets, which is influenced in turn both by the general global economic climate and by the overall economic and political conditions in the relevant countries. On a stock exchange in particular, general price performance can also be influenced by irrational factors such as sentiment, opinions and rumours. Fluctuations in prices and market values may also occur as a result of changes in interest rates, exchange rates or the credit rating of an issuer.

## Interest rate risk

Investments in fixed-income securities are associated with the possibility that the market interest rate that prevailed at the time a security was issued may change. If market interest rates rise compared with the interest rate at the time of issue, then the prices of fixed-income securities tend to go down. Conversely, if the market interest rate drops, the price of fixed-income securities goes up. Such price movements mean that the current yield on a fixed-income security is more or less the same as the current market interest rate. The severity of these price fluctuations varies depending on the time to maturity of the securities. Fixed-income securities with shorter maturities present less price risk than those with longer maturities. However, fixed-income securities with shorter maturities also tend to have lower yields than those with longer maturities. Money market instruments tend to have lower price risks, because of their short maturity periods that do not exceed 397 days. In addition, interest rate movements for different interest-bearing financial instruments denominated in the same currency with comparable residual terms may not be the same.

## Risk of negative interest on credit balances

The Company invests the Fund's liquid assets with the Depositary or other banks for the account of the Fund. In some cases, an interest rate is agreed for these bank balances which is equal to the European Interbank Offered Rate (Euribor) less a certain margin. If Euribor falls to less than the agreed margin, the interest rate on the account in question will be negative. Depending on how the interest rate policy pursued by the European Central Bank develops, short-term, medium-term and even long-term bank deposits may generate negative interest.

## External support

A money market fund is not permitted to receive external support. The term external support is understood to mean direct or indirect support for a money market fund from a third party – including a money market fund sponsor – that is intended for or in effect would result in guaranteeing the liquidity of the money market fund or stabilising the NAV per unit of the money market fund. Therefore, in a crisis the Fund must be self-reliant both in terms of liquidity for unit redemptions and in terms of performance. This means that there is a risk of loss of value or of suspension of unit redemptions.

## Risks in connection with derivatives transactions

The Company may enter into derivatives transactions for the Fund. The following risks are associated with the purchase and sale of options and entering into futures contracts or swaps:

- The use of derivatives may entail losses that are not foreseeable and may even exceed the amounts staked on the derivatives transaction.
- Changes in the price of the underlying may reduce the value of an option or futures contract. If the value falls and the derivative thus becomes worthless, the Company may be forced to allow the acquired rights to lapse. The Fund may also experience losses due to changes in the value of an asset underlying a swap.
- There may be no liquid secondary market for a certain instrument at a certain time. In this case, it might not be possible to economically neutralise (close out) a derivatives position.
- The leverage effect of options may have a greater impact on the value of the Fund than the direct purchase of the underlyings would. It may not be possible to measure the risk of loss when entering into the transaction.
- The purchase of options entails the risk that the option cannot be exercised because the prices of the underlyings do not change as expected, resulting in the forfeit of the option premium paid by the Fund. The sale of options

entails the risk that the Fund will be obliged to buy assets at a higher market price than the current price or to deliver assets at a lower market price than the current price. The Fund would then experience a loss amounting to the price differential less the option premium received.

- Futures contracts entail the risk that the Company will be obliged to cover, for the account of the Fund, the difference between the initial price at the time of entering into the contract and the market price at the time of closing out or maturity of the contract. The Fund would thus suffer losses. It is not possible to measure the risk of loss when entering into the futures contract.
- It may be necessary to conclude an offsetting transaction (closing out), which entails costs.
- The Company's forecasts on the future performance of underlying assets, interest rates, prices and currency markets may subsequently prove incorrect.
- It may not be possible to buy or sell the assets underlying the derivatives at a favourable time or they may have to be bought or sold at an unfavourable time.

Over-the-counter (OTC) transactions may entail the following risks:

- There may be no organised market, making it difficult or impossible for the Company to sell the financial instruments acquired on the OTC market for the account of the Fund.
- Based on the individual agreement, the conclusion of an offsetting transaction (closing out) may be difficult, impossible or entail considerable costs.

### **Risks in relation to repurchase transactions**

If the Company sells assets under a repurchase agreement, this means that it sells them and undertakes to buy them back at a premium at the end of the term. The premium and the buy-back price to be paid by the seller at the end of the term are set when the transaction is entered into. If the assets sold under the repurchase agreement lose value during the term of the transaction and the Company wishes to sell them in order to limit the losses, it can only do so by exercising its right to early termination. Early termination of the transaction may cause the Fund to incur financial penalties. The premium payable at the end of the term may also turn out to be higher than the returns made by the Company from reinvesting the cash received as the sale price. If the Company acquires money market instruments under a repurchase transaction, this means that it buys them and undertakes to sell them again at the end of a specific term. The buy-back price and a premium are set in advance when the transaction is entered into. The money market instruments purchased under repurchase agreements serve as collateral for the provision of liquidity to the counterparty. The Fund will not benefit from any rise in the value of the money market instruments.

### **Risks in connection with the receipt of collateral**

The Company receives collateral for repurchase transactions. Assets sold under repurchase agreements may rise in value. In such an event, the collateral received may no longer be sufficient to cover the full amount of the Company's claim against the counterparty for delivery or return. The Company may invest collateral in blocked bank accounts or in short-term money market funds. However, the credit institution holding the bank deposit may default. Money market funds may also exhibit negative performance. When the transaction ends, the invested collateral may no longer be available in full, even though the Company must return the collateral on the Fund's behalf in the amount originally granted. The Fund would then have to bear the losses incurred on the collateral.

### **Inflation risk**

Inflation carries a risk of devaluation for all assets. This includes the assets held by the Fund. The inflation rate may exceed the increase in the value of the Fund.

### **Concentration risk**

If investments are concentrated in particular assets or markets, the Fund will be especially dependent on the performance of those assets or markets. The Fund may invest up to 100% of the value of the Fund in the following issuers: Federal Republic of Germany; the German federal states; the European Union; the EU Member States Belgium, Denmark, Finland, France, Luxembourg, Netherlands, Austria and Sweden; the signatory state to the Agreement on the European Economic Area Norway; the member state of the Organisation for Economic Cooperation and Development (excluding EEA states) Switzerland; the European Stability Mechanism (ESM); the European

Investment Bank (EIB); the European Bank for Reconstruction and Development; the Council of Europe Development Bank and the International Bank for Reconstruction and Development. If the Fund invests solely in these issuers, it is dependent exclusively on their performance.

#### **Risks in connection with investment in fund units**

The risks of units in other money market funds that are acquired for the Fund (“target funds”) are closely related to the risks of the assets held in these target funds and the investment strategies pursued by these target funds. The fund managers of the individual target funds pursue similar or opposing investment strategies. As a result, existing risks may accumulate and any opportunities may cancel each other out. As a rule, the Company has no control over the management of the target funds. Their investment decisions do not necessarily coincide with the assumptions or expectations of the Company. The Company will often not have timely knowledge of the current composition of the target funds. If the composition does not correspond to its assumptions or expectations, then it might not be able to react without a considerable delay by redeeming target fund units. Open-ended investment funds in which the Fund acquires units could also temporarily restrict or suspend the redemption of units. In this case, the Company would be prevented from selling target fund units by redeeming them in return for payment of the redemption price at the management company or depositary of the target fund.

#### **Risks arising from the range of permissible investments**

Subject to the investment principles and investment limits prescribed by Regulation (EU) 2017/1131, the Investment Code and the Terms and Conditions of Investment, the actual investment policy may be formulated so as to focus on the acquisition of assets in, for instance, just a small number of sectors, markets, regions or countries. Concentration on a few specific investment sectors may involve risks, such as narrow markets or high volatility within a particular economic cycle (see “Concentration risk”). The annual report provides information about the investment policy followed in the previous year.

#### **Market risks in connection with sustainability risks**

Environmental, social or governance (ESG) risks can also have an impact on market prices. For instance, if companies do not act sustainably or make sustainable investments, this may affect market prices. Likewise, the strategic approaches of companies that do not take sustainability into account may have the effect of depressing their share price. The resultant reputational risk if a company fails to act sustainably can also have a negative impact. Last but not least, physical damage caused by climate change or measures for converting to a low-carbon economy may also have a negative impact on the market price.

#### **RISKS OF LIMITED OR INCREASED FUND LIQUIDITY AND RISKS IN CONNECTION WITH HIGH VOLUMES OF SUBSCRIPTIONS OR REDEMPTIONS (LIQUIDITY RISK)**

Risks that may adversely affect the liquidity of the Fund are set out below. Such risks may render the Fund temporarily or permanently unable to meet its payment obligations and/or temporarily or permanently unable to satisfy the redemption requests of investors. Investors may be unable to realise their planned holding period or have no access to their invested capital or part thereof for an indefinite length of time. The materialisation of liquidity risks may also cause the value of the Fund, and thus the unit price, to fall, for instance if the Company is compelled, insofar as legally permitted, to sell assets on behalf of the Fund at below market value. If the Company is not able to satisfy the redemption requests of investors, this may also lead to the restriction or suspension of redemptions and in extreme cases to the subsequent winding-up of the Fund.

#### **Risk of investing in assets**

Assets may be purchased for the Fund which are not admitted to an exchange or admitted to or included in another organised market. In some cases, it may not be possible to resell such assets, or resale may only be possible at heavily discounted prices or after a long delay. Even if the assets are admitted to an exchange, resale may be impossible or may only be possible at heavily discounted prices, depending on the market conditions, volume, timeframe and projected costs. Although assets may only be purchased for the Fund that can in principle be liquidated at any time, it cannot be ruled out that it may be temporarily or permanently impossible to sell those assets except at a loss.

#### **Risks from high redemption or subscription volumes**

Purchase or sale orders from investors cause liquidity to flow into or out of the Fund. Such inflows and outflows may lead to an overall net cash inflow or outflow. This net inflow or outflow may cause the Fund manager to buy or sell

assets, causing transaction costs to be incurred. This is especially the case when the inflows or outflows cause the Fund to breach a minimum or maximum cash allocation set for the Fund by the Company. The resulting transaction fees are charged to the Fund and may reduce the Fund's performance. In the case of inflows, increased Fund liquidity may adversely affect the Fund's performance if the Company is unable to invest the cash on suitable terms or is unable to do so quickly.

### **Risks in relation to public holidays in certain regions or countries**

Depending on the investment strategy, investments may be made on behalf of the Fund in particular regions or countries. Local public holidays in these regions or countries may mean that there are divergences between the trading days at exchanges in these regions or countries and the Fund's valuation days. On days that are not valuation days, the Fund may be unable to react to market developments in these regions or countries on the same day; on valuation days that are not trading days in these regions or countries, the Fund may be unable to trade on the markets there. The Fund may thus be prevented from selling assets within the necessary timeframe. This may impair the Fund's ability to fulfil redemption requests or other payment obligations.

### **COUNTERPARTY RISK INCLUDING LENDING AND RECEIVABLES RISK**

Risks that could arise for the Fund from a business relationship with another party (a "counterparty") are set out below. The risk exists that a counterparty may no longer be able to fulfil its agreed obligations. This may adversely affect the Fund's performance and thus have a negative impact on the unit value and the capital invested by investors.

#### **Default risk/counterparty risks (excluding central counterparties)**

The Fund may incur losses due to the default of an issuer ("issuer") or a contracting partner ("counterparty") against which the Fund has claims. Issuer risk refers to the impact of particular developments concerning a given issuer, which, together with general trends on capital markets, affect the price of a money market instrument. Even if money market instruments are selected carefully, losses resulting from the deterioration of an issuer's financial situation cannot be ruled out. The counterparty to an agreement entered into for the account of the Fund may default partially or in full ("counterparty risk"). This applies to all agreements concluded for the account of the Fund.

#### **Central counterparty risk**

A central counterparty or "CCP" acts as an intermediary institution in certain transactions concluded on behalf of the Fund, especially trades involving derivative financial instruments. In such cases, the CCP acts as a buyer towards the seller and as a seller towards the buyer. To protect itself against the risk that its counterparty may not be able to perform its agreed obligations, a CCP takes a range of protective measures that enable it to compensate any losses arising from the trades it enters into (e.g. through collateral). Despite these protective measures, it cannot be ruled out that a CCP may itself become insolvent, which could have an impact on claims held by the Company on behalf of the Fund. The Fund may incur losses as a result.

#### **Default risk in relation to repurchase transactions**

If the Company, acting for the account of the Fund, sells assets under repurchase agreements, it must arrange to be furnished with sufficient collateral to cover the default of the counterparty. The Company has the right to realise the collateral if the counterparty defaults during the term of the repurchase transaction. A risk of loss may ensue for the Fund if the collateral is no longer sufficient to cover the Company's claim for the return of the assets, for instance because the securities sold under the repurchase agreement have risen in price.

### **OPERATIONAL AND OTHER RISKS PERTAINING TO THE FUND**

Risks that may result from, for instance, inadequate internal processes, human error or system failure at the Company or an outside third party are set out below. Such risks may adversely affect the Fund's performance and thus have a negative impact on the unit value and the capital invested by investors.

#### **Risk of criminal wrongdoing, irregularities or natural disaster**

The Fund may be the victim of fraud or other criminal wrongdoing. It may incur losses due to errors by employees of the Company or external third parties, or suffer harm as a result of exogenous events such as pandemics or natural disasters. These events can be brought about or exacerbated by, for example, the failure by an issuer and/or the Fund management to take account of sustainability requirements.

## Cybercrime

The Fund, the Depositary or service providers or counterparties with whom the Fund works may be affected by events that impair the security of electronic data processing, which may give rise to operational and data protection risks. Such events may result from targeted attacks or the unintended (side) effects of other events, such as unauthorised access to electronic systems due to hacking, trojans, viruses, phishing or pharming carried out in order to unlawfully appropriate assets or sensitive data, alter data or cause the failure of one or more systems. The latter may also occur even if no unauthorised access is obtained to IT systems, for instance when a website is slowed down or unavailable because a large number of outside users attempt to access it for its normal intended purpose. If the Fund, Management Company, portfolio manager, Depositary or financial intermediaries are affected by IT security impairments, this may impact business operations, e.g. the ability of the Fund to determine its net asset value, enter into transactions or issue or redeem units. As a result, financial losses may arise for which the Fund may not receive compensation. Furthermore, data protection breaches or breaches of applicable regulatory requirements may give rise to fines, costs and losses, including reputational damage, which the Fund may have to bear. Similar consequences may arise from IT security impairments at the issuers of assets in which the Fund invests, at the counterparties of the Fund's transactions, at government authorities or other regulators, at exchanges or financial market operators, or at banks, brokers, traders, insurers and other parties. Although information risk management systems and emergency business continuity plans have been devised to reduce these risks, such measures have inherent limits, including the risk that some risks may not have been identified.

## Country or transfer risk

The risk exists that a foreign debtor, despite being solvent, may be unable to make payment, unable to make payment on time, or only able to make payment in an alternative currency because a currency is not transferable, because its home country is unwilling to permit transfers or for similar reasons. This may result, for example, in payments to which the Company is entitled for the account of the Fund not being made, being made in a currency that is no longer convertible due to currency restrictions, or being made in an alternative currency. If the debtor pays in an alternative currency, this position will be subject to currency risk as described above.

## Legal and political risk

Investments may be made on behalf of the Fund in jurisdictions in which German law is not applied or where the venue for legal disputes is outside Germany. The Company's rights and duties on behalf of the Fund may differ from those in Germany, to the detriment of the Fund and/or the investors. Political or legal developments, including changes in the legal framework in such jurisdictions, may go unnoticed by the Company, may not be noticed until too late or may lead to restrictions on assets that are acquirable or have already been acquired. These consequences may also arise if the legal framework for the Company and/or the management of the Fund changes in Germany.

## Changes in tax regime, tax risk

The tax information in this Prospectus is based on the current legal position. The brief details of tax regulations are aimed at persons with unrestricted income tax liability or unrestricted corporate income tax liability in Germany. However, there is no guarantee that the current tax treatment will not change due to legislation, court judgments or decisions of the tax authority.

## Key person risk

If the investment performance in a particular period is very positive, this success may be due inter alia to the aptitude of the individuals in charge and thus to the making of correct decisions by the management. However, the composition of the Fund's management team may change. New decision-makers may then be less successful.

## Custody risk

The safekeeping of assets, particularly abroad, is associated with a risk of loss which can result from the insolvency of the Depositary, from breaches of duty by the Depositary and/or from force majeure.

## Risks arising from settlement fails for securities transactions via central securities depositories within the EU

On 1 February 2022, the Regulatory Technical Standards ("RTS") on the settlement discipline regime under Regulation (EU) No 909/2014 and Commission Delegated Regulation (EU) 2018/1229 (hereinafter jointly referred to as the Central Securities Depositories Regulation – "CSDR") came into force. These RTS require central securities depositories ("CSDs") to apply cash penalties to users for the delayed settlement of a security and to credit these

penalties to those participants affected by the delayed delivery or payment. Participants are depositaries and brokers. The Depositary of the Fund will debit or credit any cash penalties charged by or received from a central securities depository to the Fund. The Company monitors negative cash penalties and reimburses the Fund for any amount by which negative penalties exceed penalty receipts within an accounting period, or will agree on a corresponding reimbursement from any external portfolio managers (“netting procedure”). Thresholds may be applied to reimbursement demands if cash penalties are so low that the transfer or administration costs exceed the amount for reimbursement. Penalty receipts can be used to offset penalties charged. Subject to the application of thresholds, the Fund will not therefore suffer a net loss during a single accounting period as a result of cash penalties due to application of the CSDR, and may receive a net positive amount in some accounting periods. There is currently no precedent in the market to indicate how CSDR measures will impact the Fund and the market generally. However, the vast majority of cash penalties will be for very small amounts.

### Risks arising from trading and clearing mechanisms (settlement risk)

During the settlement of securities trades, the risk exists that one of the counterparties may delay payment, fail to pay in accordance with the agreement or fail to deliver the assets on time. Likewise, such settlement risk also applies to trading in other assets conducted on behalf of the Fund.

### Differing performance of unit classes

The economic performance of unit classes may vary as a result of the differing legal rules and limits for the units in different unit classes. Examples include distribution, reinvestment or different levels of management fees. If one unit class distributes income but another reinvests it, the values of the units in the two classes will differ as a result; the same applies if different unit classes are entitled to different shares of the Fund’s income. This also applies in relation to different levels of management fees: Fees are regularly paid from the Fund, so different fee levels will reduce unit values by different amounts.

## RISK PROFILE OF THE FUND

The performance of the Fund is affected by the following factors, which present both risks and opportunities:

- **Creditworthiness risk:** The Fund invests mainly in money market instruments and bonds. If the creditworthiness of individual issuers decreases or they become insolvent, the value of their money market instruments and bonds will fall.
- **Liquidity risks:** Impaired Fund liquidity may render the Fund temporarily or permanently unable to meet its payment obligations and/or temporarily or permanently unable to satisfy the redemption requests of investors.
- **Concentration risk:** The Fund may invest up to 100% of its value in the following issuers: (see p.12 of the Prospectus). If the Fund invests solely in these issuers, it is dependent exclusively on their performance.

## ODDO BHF Money Market

ODDO BHF Money Market was established on 4 October 1994 for an unlimited duration. Different unit classes may be formed for the Fund which may differ in terms of the income distribution policy, management fee, depositary fee, minimum investment amount or a combination of these features. The Fund consists of different unit classes, which means that the units issued carry different rights depending on the class to which they belong. Units are currently available in six unit classes, which differ with regard to the income distribution policy, management fee, minimum investment amount and eligibility for savings plans. The unit classes are referred to as CR-EUR, DR-EUR, CN-EUR, CI-EUR, DI-EUR and G-EUR. The different features of the unit classes are set out in the overview below and explained in more detail in the section on “Fair treatment of investors and unit classes”. Due to their different characteristics, the returns that investors achieve from their investments in the Fund may vary depending on the class of unit purchased. This applies to both the pre-tax and post-tax rate of return for the investor.

Assets may only be acquired for the Fund as a whole, and may not be acquired for individual unit classes or groups of unit classes. New unit classes may be formed at any time at the Company’s discretion. A unit class may exist even if no units are currently in issue. If a new unit class is formed, the units do not need to be issued immediately. However, the rights of investors who have purchased units in existing unit classes will remain unaffected. Costs incurred in connection with the introduction of a new unit class may only be charged to investors in this new unit class. When units in a unit class are issued for the first time, their value must be calculated based on the value determined for the entire Fund in accordance with section 168(1) sentence 1 of the Investment Code. The annual and half-yearly reports contain information on the terms under which units with different rights are issued and which rights are allocated to

individual unit classes. For each unit class, the number of units in issue on the reporting date and the unit value determined as at the reporting date are also indicated. Overview of the unit classes:

ODDO BHF Money Market CR-EUR	
Launch	4 October 1994
Financial year	1 October to 30 September
GERMAN SECURITIES CODE (WKN)	977020
ISIN	DE0009770206
Currency	Euro
Income distribution policy	Reinvesting
Management fee	up to 1.0% p.a., currently 0.225% p.a.
Depository fee	up to 0.1% p.a. (min. EUR 5,000 p.a.*), currently 0.007% p.a.
Entry charge	None
Minimum investment amount	EUR 100 lump sum, or EUR 50 per month
Order cut-off time	15:30 CET

ODDO BHF Money Market DR-EUR	
Launch	1 July 2010
Financial year	1 October to 30 September
GERMAN SECURITIES CODE (WKN)	A0YCBQ
ISIN	DE000A0YCBQ8
Currency	Euro
Income distribution policy	Distributing
Management fee	up to 1.0% p.a., currently 0.225% p.a.
Depository fee	up to 0.1% p.a. (min. EUR 5,000 p.a.*), currently 0.007% p.a.
Entry charge	None
Minimum investment amount	EUR 100 lump sum, or EUR 50 per month
Order cut-off time	15:30 CET

ODDO BHF Money Market CN-EUR	
The units may only be acquired as part of a portfolio management mandate or fee-based investment advisory service.	
Launch	17 March 2021
Financial year	1 October to 30 September
GERMAN SECURITIES CODE (WKN)	A2QBG3
ISIN	DE000A2QBG39
Currency	Euro
Income distribution policy	Reinvesting
Management fee	up to 1.0% p.a., currently 0.175% p.a.
Depository fee	up to 0.1% p.a. (min. EUR 5,000 p.a.*), currently 0.007% p.a.
Entry charge	None
Minimum investment amount	EUR 100
Order cut-off time	15:30 CET

### ODDO BHF Money Market CI-EUR

Units may only be acquired by eligible counterparties or professional investors within the meaning of Directive 2014/65/EU (MiFID II).

Launch	1 July 2010
Financial year	1 October to 30 September
GERMAN SECURITIES CODE (WKN)	AOYCBR
ISIN	DE000A0YCBR6
Currency	Euro
Income distribution policy	Reinvesting
Management fee	up to 1.0% p.a., currently 0.125% p.a.
Depositary fee	up to 0.1% p.a. (min. EUR 5,000 p.a.*), currently 0.007% p.a.
Entry charge	None
Minimum investment amount	EUR 250,000
Order cut-off time	15:30 CET

### ODDO BHF Money Market DI-EUR\*\*

Units may only be acquired by eligible counterparties or professional investors within the meaning of Directive 2014/65/EU (MiFID II).

Launch	15 September 2023
Financial year	1 October to 30 September
GERMAN SECURITIES CODE (WKN)	A3C7Z5
ISIN	DE000A3C7Z52
Currency	Euro
Income distribution policy	Distributing
Management fee	up to 1.0% p.a., currently 0.125% p.a.
Depositary fee	up to 0.1% p.a. (min. EUR 5,000 p.a.*), currently 0.007% p.a.
Entry charge	None
Minimum investment amount	EUR 250,000
Order cut-off time	15:30 CET

### ODDO BHF Money Market G-EUR

Launch	1 April 2011
Financial year	1 October to 30 September
GERMAN SECURITIES CODE (WKN)	A1CUGJ
ISIN	DE000A1CUGJ8
Currency	Euro
Income distribution policy	Reinvesting
Management fee	up to 1.0% p.a., currently 0.125% p.a.
Depositary fee	up to 0.1% p.a. (min. EUR 5,000 p.a.*), currently 0.007% p.a.
Entry charge	None
Minimum investment amount	EUR 250,000
Order cut-off time	15:30 CET

\* The minimum fee is charged to the fund only once, regardless of the number of unit classes.

\*\* This unit class will be launched on 15 September 2023 and can be acquired from that date.

## TYPICAL INVESTOR PROFILE

The Fund is aimed at all investors with only limited experience on financial markets. The units are subject only to low fluctuations in value. The possibility cannot be ruled out that such fluctuations may cause the unit values to fall below the purchase price, and the investor may suffer a loss of capital as a result. The Fund may not be suitable for investors who wish to withdraw their capital within a period of three months or less. The Company's assessment does not constitute investment advice. Its purpose is to give investors an initial indication of whether the Fund is appropriate for them, given their level of experience, risk appetite and investment horizon.

## INVESTMENT OBJECTIVES

The aim of investing in ODDO BHF Money Market is to obtain a steady increase in value in line with money market interest rates.

ODDO BHF Money Market is a money market fund that actively invests in a mixture of money market instruments. The Fund primarily invests in covered bonds (Pfandbriefe), variable or fixed-income debt securities, money market instruments and public issuer bonds (primarily from the European Union or a signatory state to the Agreement on the European Economic Area). The maximum weighted average maturity (WAM) of assets held for the fund is 90 days. As all investments are denominated in euro, there is no currency risk.

Investments are selected according to the judgement of our capital markets experts, who place particular emphasis on ensuring that borrowers have a high credit rating. The assets held in the portfolio must have a minimum rating of at least AA- from a recognised rating agency or a similar rating upon acquisition. The issuer rating may also be used as a replacement. The Fund does not enter into derivative transactions. The fund manager does not use a benchmark index, but actively selects countries and sectors based on the macroeconomic environment. An analysis is carried out on the credit rating of the most promising issuers for the portfolio, occasionally drawing on quantitative and/or qualitative research. The Fund Manager incorporates sustainability risks into its investment process by taking into account both the ESG (environmental, social and governance) characteristics of its investment decisions and any significant negative impacts that its investment decisions may have on sustainability factors. The investment process is based on ESG integration, normative screening (including UN Global Compact, controversial weapons), sector exclusions and a best-in-class approach.

The Fund is an Article 8 fund under the SFDR<sup>2</sup>. The principle of "do no significant harm" applies only to those investments underlying a financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

The Company observes the Carbon Disclosure Project (CDP) and the United Nations Principles for Responsible Investment ("UN PRI"). It also applies the UN PRI in the context of its engagement strategy by exercising voting rights, actively exercising shareholder rights and creditor rights, and through dialogue with issuers.

Information on the Fund's environmental and/or social characteristics can be found in the Annex to this Prospectus.

Information on the principal adverse impacts on sustainability factors is available in the Annual Report pursuant to Article 11(2) of the SFDR.

No guarantee can be provided that the objectives of the investment policy will actually be achieved.

## INVESTMENT PRINCIPLES

The Company may purchase the following assets for the Fund:

1. Money market instruments as per section 5 of the General Terms of Investment.  
Notwithstanding section 5(1) of the General Terms of Investment, money market instruments with a residual maturity until the legal redemption date of up to two years, provided that the time until the next interest reset date

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<sup>2</sup> Regulation (EU) 2019/2088 on sustainability-related disclosure requirements in the financial services sector

is no more than 397 days within the meaning of Article 10(2) of the EU Regulation<sup>3</sup>, may also be acquired for the Fund.

2. Bank deposits as per section 8 of the General Terms of Investment.
3. Money market fund units as per section 9 of the General Terms of Investment.
4. Derivatives as per section 10 of the General Terms of Investment.
5. It may not acquire securitisations and ABCPs as per section 6 of the General Terms of Investment.

The company may acquire these assets within the investment limits described. The acquisition of assets in a currency other than the fund currency is only permitted if the currency risk is hedged. Details of these eligible assets and the applicable investment limits are set out below.

### Money market instruments

The company may invest for the account of the Fund in money market instruments that are normally traded on the money market, as well as in interest-bearing securities that either

- have a maturity or residual maturity of no more than 397 days at the time of their acquisition for the Fund, or
- have a residual maturity until the legal redemption date of up to two years, provided that the time until the next interest reset date is no more than 397 days within the meaning of Article 10(2) of Regulation (EU) 2017/1131, at the time of their acquisition for the Fund.

Money market instruments may be purchased for the Fund if they

1. are admitted to an exchange in a Member State of the EU or another signatory state to the EEA Agreement, or are admitted to or included in another organised market in one of these states,
2. are exclusively admitted to an exchange outside the Member States of the EU and other signatory states to the EEA Agreement, or are admitted to or included in another organised market outside those states, provided that BaFin has approved the selection of that exchange or organised market,
3. are issued or guaranteed by the EU, the German Federal Government, a special fund (Sondervermögen) of the German Federal Government, a German Federal State, another Member State or another governmental, regional or local authority or the central bank of an EU Member State, by the European Central Bank or European Investment Bank, by a third country or, in the case of a country that is a federation, a member of the federation, or by an international public institution to which at least one EU Member State belongs,
4. are issued by an undertaking whose securities are traded on the markets referred to in (1) and (2) above,
5. are issued or guaranteed by a credit institution subject to prudential supervision in accordance with the criteria laid down in EU law or by a credit institution that is subject to and complies with prudential rules considered by BaFin as equivalent to those laid down in Community law, or
6. are issued by other issuers provided that each such issuer
  - a) is an undertaking with equity of at least EUR 10 million that prepares and publishes its financial statements in accordance with the European Directive on the annual accounts of companies<sup>4</sup>,
  - b) is a legal entity that is responsible for the financing of a corporate group that includes one or more exchange-listed companies.

The aforementioned money market instruments may only be acquired if the Company considers them to be of high quality. In assessing whether a money market instrument is of high quality, the Company must consider, among other things, the credit quality, liquidity profile and, for complex products, the operational risk and counterparty risk. Where a rating is provided for a money market instrument by one or more rating agencies registered with and supervised by the European Securities and Markets Authority (ESMA), this rating is taken into account in the Company's internal analysis process, among other factors. The Company will reassess the credit quality in particular if one of the rating agencies downgrades the money market instrument to a rating below the two highest short-term ratings. Where a rating agency subdivides its highest short-term rating into two categories, these two categories together are considered to be the highest available short-term rating. Short-term ratings are defined as ratings for money market instruments with a maturity of less than one year. The Company generally uses an internal process for assessing credit quality (more details under "Internal process for assessing credit quality"). Money market instruments may also be acquired that are issued or guaranteed by a central, regional or local authority or the central bank of a member

<sup>3</sup> Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.

<sup>4</sup> Fourth Council Directive 78/660/EEC of 25 July 1978, as last amended by Article 49 of Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006.

state of the EU, the European Central Bank, the EU or the European Investment Bank. Where a rating is provided for a money market instrument by one or more rating agencies registered with and supervised by the ESMA, this rating is taken into account in the Company's internal analysis process for assessing credit quality, among other factors. The Company will re-assess the credit quality in particular if one of the rating agencies downgrades the money market instrument to a rating below investment grade. "Investment grade" refers to a score of BBB/Baa or higher from a rating agency following a creditworthiness check. The aforementioned money market instruments may only be acquired if they are liquid and their value can be accurately determined at any time. Money market instruments are liquid if they can be sold within a sufficiently short period at limited cost. Account should be taken in this regard of the Company's obligation to redeem units in the Fund on request by the investors and to be able to sell such money market instruments at short notice accordingly. A precise, reliable valuation system must also exist for the money market instruments that allows the net portfolio value of the instruments to be determined and is based on market data or valuation models (including systems based on amortised cost). Money market instruments are deemed liquid if they are admitted to or included in an organised market within the EEA or are admitted to or included in an organised market outside the EEA where BaFin has approved the choice of that market. This does not apply if the Company has indications that the instruments are not sufficiently liquid.

For money market instruments that are not listed on an exchange or admitted to trading on a regulated market (see nos. 3 to 6 above), the issue or the issuer of the instruments must be subject to deposit and investor protection regulations. Sufficient information must therefore be available for these instruments to enable the credit risks associated with them to be appropriately evaluated, and the instruments must be freely transferable. Credit risks may, for instance, be assessed by way of a creditworthiness check by a rating agency.

The following requirements also apply to these money market instruments, unless they are issued or guaranteed by the European Central Bank or the central bank of an EU Member State:

- If they are issued or guaranteed by the following institutions (referred to in no. 3 above):
  - the EU,
  - the German Federal Government,
  - a special fund (Sondervermögen) of the German Federal Government,
  - a German Federal State,
  - another Member State,
  - another central government authority,
  - the European Investment Bank,
  - a third country or, in the case of a country that is a federation, a member of the federation,
  - an international public institution to which at least one EU Member State belongs, suitable information must be available about the issue and/or issue programme or about the legal and financial status of the issuer prior to the issue of the instrument.
- If they are issued or guaranteed by a credit institution supervised in the EEA, (see no. 5 above), suitable information must be available about the issue and/or issue programme or about the legal and financial status of the issuer prior to the issue of the instrument, which must be updated at regular intervals and upon the occurrence of significant events. In addition, data (e.g. statistics) must be available on the issue and/or the issue programme to enable an appropriate evaluation to be made of the credit risks associated with the investment.
- If they are issued by a credit institution outside the EEA that is subject to prudential rules which BaFin considers to be equivalent to the requirements for credit institutions in the EEA, one of the following conditions must be met:
  - The credit institution maintains a registered office in a member state of the Organisation for Economic Cooperation and Development (the "OECD") that belongs to the Group of Ten (the group of the foremost industrial nations – G10).
  - The credit institution has a rating that qualifies as investment grade. "Investment grade" refers to a score of BBB/Baa or higher from a rating agency following a creditworthiness check.
  - It can be shown by way of a detailed analysis of the issuer that the supervisory regulations applying to this credit institution are at least as stringent as those under EU law.
- For other money market instruments that are not listed on an exchange or admitted to trading on a regulated market (see under nos. 4, 6 and relevant parts of 3 above), suitable information must be available about the issue and/or issue programme or about the legal and financial status of the issuer prior to the issue of the instrument, which must be updated at regular intervals and upon the occurrence of significant events and reviewed by qualified third parties independent of the issuer. In addition, data (e.g. statistics) must be available on the issue

and/or the issue programme to enable an appropriate evaluation to be made of the credit risks associated with the investment.

### **Bank deposits**

The Company may hold bank deposits for the account of the Fund with a maturity of up to 12 months. These deposits are to be held in blocked accounts at credit institutions whose registered office is in an EU Member State or another signatory state to the EEA Agreement. They may also be held at credit institutions whose registered office is in a third country whose prudential rules are considered by BaFin as equivalent to those laid down in EU law. Bank deposits may not be held in foreign currencies.

## **INVESTMENT LIMITS FOR MONEY MARKET INSTRUMENTS AND BANK DEPOSITS, INCLUDING WITH THE USE OF DERIVATIVES**

### **Investment limits for money market instruments**

The Company may invest up to 100% of the value of the Fund in all permitted money market instruments. Money market instruments held under repurchase agreements are to be included in the total for the purposes of the investment limits as per Article 17 of Regulation (EU) 2017/1131.

The Company may invest up to 10% of the value of the Fund in money market instruments issued by the same issuer (debtor). The total value of the money market instruments issued by such issuers (debtors) may not exceed 40% of the value of the Fund. Beyond this point, the Company may only invest 5% of the value of the Fund in money market instruments issued by any one issuer. Money market instruments held under repurchase agreements are included in the total for the purposes of this investment limit. Section 11(4) of the General Terms of Investment and section 2(7) of the Specific Terms of Investment remain unaffected.

### **Investment limits for bonds with specific cover assets**

The Company may invest in covered bonds, municipal bonds as well as bonds and bonded loans issued by the same credit institution domiciled in a Member State of the EU or in another signatory state to the EEA Agreement up to a limit of 10% of the value of the Fund in each case, provided that the credit institution is subject to specific public-sector prudential supervision by virtue of a statutory requirement protecting the investors of such bonds. This is subject to the condition that the money raised from the bonds is invested so as to cover the liabilities on the bonds throughout their lifetime and to be used on a priority basis for the repayment of the principal and interest in the event that the bond issuer defaults. Insofar as it is permitted to invest more than 5% of the value of the Fund in bonds issued by the same issuer, the total amount of such bonds must not exceed 40% of the value of the Fund. The Company may invest up to 20% of the value of the Fund in bonds issued by the same credit institution, provided that they are covered bonds of extremely high quality within the meaning of Article 10(1)(f) or Article 11(1)(c) of Delegated Regulation (EU) 2015/61 and if the conditions of the aforementioned paragraph are met. Insofar as it is permitted to invest more than 5% of the value of the Fund in bonds issued by the same issuer, the total amount of the bonds – including any investments in accordance with the previous paragraph, taking into account the caps set therein – must not exceed 60% of the value of the Fund.

### **Investment limits for public-sector issuers**

The Company may invest up to 100% of the value of the Fund in money market instruments issued by the Federal Republic of Germany; the German federal states; the European Union; the EU Member States Belgium, Denmark, Finland, France, Luxembourg, Netherlands, Austria and Sweden; the signatory state to the Agreement on the European Economic Area Norway; the member state of the Organisation for Economic Cooperation and Development (excluding EEA states) Switzerland; and the international organisations to which at least one EU Member State belongs European Stability Mechanism (ESM), European Investment Bank (EIB), European Bank for Reconstruction and Development, Council of Europe Development Bank and International Bank for Reconstruction and Development. The money market instruments held for the account of the Fund must come from at least six different issues of the issuer in question and no more than 30% of the value of the Fund may be held in a single issue.

### **Investment limits for bank deposits**

The Company may invest a total of up to 100% of the value of the Fund in bank deposits as per section 8 of the General Terms of Investment. The Company may not invest more than 10% of the value of the Fund in bank deposits at any one credit institution.

### **Combination of investment limits**

The Company may invest no more than 15% of the value of the Fund in a combination of the following assets:

- money market instruments issued by a single institution,
- deposits with the same institution,
- attributable amounts for the counterparty risk of OTC derivative transactions entered into with the same institution.

#### Investment limits for money market fund units

Less than 10% of the value of the Fund may be invested in units of other money market funds (“target funds”) as per section 9 of the General Terms of Investment. The target funds may only be acquired for the account of the Fund where their terms of investment or articles of association prevent them from investing more than 10% in total of the value of their assets in units of other money market funds. In addition, the target funds themselves may not hold any units in the Fund. The Fund may not invest more than 5% of its assets in units of a single money market fund.

#### Informing investors in the event of the suspension of the redemption of target fund units

Within the framework of the law, target funds may temporarily suspend the redemption of units. In this case, the Company would not be able to redeem the target fund units in return for payment of the redemption price at the management company or depositary of the target fund (see “Risk information”). The Company’s website (am.oddo-bhf.com) states whether and to what extent the Fund holds target fund units for which redemption is currently suspended.

#### Other investment restrictions and investment limits

At least 7.5% of the assets of the UCITS fund must consist of daily maturing assets, reverse repurchase transactions that can be terminated on one working day’s notice or cash deposits that can be withdrawn on one working day’s notice.

At least 15% of the assets of the UCITS fund must consist of weekly maturing assets, reverse repurchase transactions that can be terminated on five working days’ notice or cash deposits that can be withdrawn on five working days’ notice. Money market instruments or units in other money market funds may count towards the weekly maturing assets up to a limit of 7.5%, provided that they can be redeemed and settled within five working days.

#### Non-permitted investments

The Company may not acquire assets whose performance depends directly or indirectly on the performance of equities or commodities. Securitisations and ABCPs as per section 6 of the General Terms of Investment may not be acquired either.

#### Weighted average fixed-interest period

The weighted average fixed-interest period of assets held for the account of the UCITS fund may not exceed six months at any time.

#### Weighted average residual maturity

The weighted average residual maturity of all assets in the Fund shall not exceed 12 months. The Company generally bases the calculation of the residual maturity of an asset on the time remaining until the legal redemption date of the instrument. Where a financial instrument contains an embedded put option, the Company may use the exercise date of the put option instead of the residual maturity of the financial instrument when calculating the residual maturity. The following requirements must be met in this regard at all times:

- the Company may fully exercise the put option on the exercise date;
- the exercise price of the put option is close to the value of the financial instrument on the exercise date; and
- due to the Fund’s investment strategy, it is highly probable that the put option will be exercised on the exercise date.

#### **Derivatives**

A derivative is an instrument whose price depends on the fluctuations in or expectations of the price of another asset (the “underlying”). The statements below refer both to derivatives and financial instruments with derivative components (collectively “derivatives”).

The Company may engage in derivative transactions for the Fund solely for hedging purposes.

The use of derivatives may no more than double the Fund's market risk (the "market risk limit"). Market risk is the risk of loss resulting from fluctuations in the market value of assets held in the Fund, which can be attributed to changes in variable prices or market rates, such as interest rates, exchange rates, currencies or indices tracking these underlyings. The Company must stay within the market risk limit on an ongoing basis. The Company must determine the extent to which the market risk limit has been reached on a daily basis according to the legal requirements; these can be found in the German Regulation on Risk Management and Risk Measurement in the Use of Derivatives, Securities Loans and Repurchase Agreements in Investment Funds in accordance with the Investment Code (the "Derivatives Regulation").

### Derivatives – simple approach

In order to determine the extent to which the market risk limit has been reached, the Company uses the simple approach as defined in the Derivatives Regulation. It adds up the attributable amounts of all derivatives and repurchase transactions that increase the investment ratio. The attributable amount for derivatives and financial instruments with derivative components is generally based on the market value of the underlying. In aggregate, the attributable amounts for market risk as a result of the use of derivatives and financial instruments with derivative components may not exceed the value of the investment fund.

The Company may usually only acquire derivatives if it may acquire the underlyings of such derivatives for the account of the Fund or if assets in the investment fund that the Company may acquire for the account of the Fund could also give rise to the risks that these underlyings represent. The Company may acquire the following for the account of the Fund:

- Basic forms of derivatives
- Combinations of these derivatives
- Combinations of these derivatives with other assets that may be acquired for the Fund.

The Company can identify and measure with adequate accuracy all the market risks within the Fund arising from the use of derivatives. It pursues long/short or market-neutral strategies.

The Company may acquire the following types of derivatives for the account of the Fund:

- a) futures contracts on interest rates, exchange rates or currencies as well as on financial indices tracking these underlyings which are sufficiently diversified, represent an adequate benchmark for the market to which they refer and are published in an appropriate manner ("qualified financial indices").
- b) options or warrants on interest rates, exchange rates or currencies, and on qualifying financial indices tracking these underlyings, and on futures contracts as per a), where the options or warrants have the following features:
  - ba) exercise is possible either throughout the term or at the end of the term and
  - bb) the option value at the time of exercise exhibits a linear dependency on the positive or negative difference between the strike price and the market price of the underlying asset and is zero if the difference has the opposite sign;
- c) interest rate swaps, currency swaps and cross-currency swaps;
- d) options on swaps as per c), provided that they exhibit the features described in b) (swaptions);

The investment strategy may only be based on a "complex" strategy to a negligible degree. In addition, the Company may only invest in complex derivatives to a negligible degree. A "negligible degree" means, assuming maximum loss, not exceeding 1% of the value of the Fund.

### Futures contracts

Futures contracts are agreements that bind both parties unconditionally to buy or sell a certain quantity of a certain underlying at a predetermined price at a certain time – the expiration date – or within a certain timeframe. The Company may enter into futures contracts on interest rates, exchange rates or currencies and on qualified financial indices tracking these underlyings that may be acquired by the Fund for the account of the Fund in line with the investment principles.

### Options transactions

Options transactions grant a third party the right – for a fee (option premium) – to deliver or buy assets or to demand the payment of the difference or to acquire corresponding option rights within a certain timeframe or at the end of a certain period at a price agreed in advance (strike price). The Company may buy and sell call options and put options as well as trade in warrants for the account of the Fund in line with the investment principles. The option transactions must be based on interest rates, exchange rates or currencies as well as on financial indices tracking these underlyings,

which are sufficiently diversified, represent an adequate benchmark for the market to which they refer and are published in an appropriate manner. The options or warrants must provide for exercise any time before the expiration date or on the expiration date. In addition, the option value at the time of exercise must exhibit a linear dependency on the positive or negative difference between the strike price and the market price of the underlying asset and be zero if the difference has the opposite sign.

### Swaps

A swap is a contract through which the parties exchange the cash flows or risks underlying the transaction. The Company may enter into interest rate swaps, currency swaps and cross-currency interest rate swaps for the account of the Fund in line with the investment principles.

### Swaptions

Swaptions are options on swaps. A swaption is the right but not the obligation to enter into a swap at a certain time or within a certain timeframe, the conditions of which are precisely specified. For the rest, the principles relating to options transactions apply. The Company may only enter into swaptions that are composed of the options and swaps described above for the account of the Fund.

### OTC derivatives transactions

The Company may engage in both derivatives transactions admitted to trading on an exchange or admitted to or included in another organised market and over-the-counter (OTC) transactions for the account of the Fund. The Company may only engage in derivatives transactions not admitted to trading on an exchange or admitted to or included in another organised market with suitable credit institutions or financial services institutions on the basis of standardised framework agreements. The Company may only invest in OTC derivatives that are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value. In the case of OTC derivatives, the counterparty risk in relation to a counterparty is limited to 5% of the value of the Fund. If the counterparty is a credit institution whose registered office is in an EU Member State, in another signatory state to the EEA Agreement or in a third country with a comparable level of supervision, the counterparty risk may be up to 10% of the value of the Fund. OTC derivatives transactions in which a central clearing house of an exchange or of another organised market is the counterparty do not count towards the counterparty limits if the derivatives are marked to market daily and subject to daily margining. However, the Fund's claims against an intermediary count towards the limits even if the derivative is traded on an exchange or on another organised market.

### Repurchase transactions

The Company may enter into repurchase transactions for the account of the Fund with credit institutions and financial services institutions. In order to limit the default risk, the Company only uses counterparties from OECD countries, giving preference to counterparties contracting under the law of a European state. Only counterparties with an investment grade rating are selected. Furthermore, counterparties are chosen on the basis of the Company's best execution policy. Assets of the Fund can be both transferred to a buyer for a fee (standard repurchase transaction) and, subject to the relevant investment limits, be accepted from another party (reverse repurchase transaction). Repurchase transactions are carried out in order to earn additional income for the Fund (reverse repurchase agreement) or to generate temporary additional liquidity for the Fund (standard repurchase agreement). Standard repurchase transactions may be entered into for the account of the Fund provided that they meet the following conditions:

- It may be terminated at any time on notice of no more than two working days;
- It is entered into for a period of no longer than seven working days and only for the purposes of liquidity management;
- The cash inflows from repurchase transactions do not exceed 10% of the value of the Fund and are exclusively held as deposits within the meaning of section 195 of the Investment Code or invested in assets within the meaning of Article 15(6) of Regulation (EU) 2017/1131.
- The counterparty who is the recipient of the assets transferred under the repurchase agreement may not sell, invest, pledge or otherwise transfer these assets without the prior approval of the Company.

Reverse repurchase transactions may be entered into for the account of the Fund provided that they meet the following conditions:

- It may be terminated at any time on notice of no more than two working days;
- The assets that are purchased are money market instruments as per section 5 of the General Terms of Investment and are not sold, reinvested, pledged or otherwise transferred;

- In addition, the assets must be sufficiently diversified and issued by an entity that is independent from the counterparty and is anticipated not to exhibit a high correlation with the counterparty's performance. Assets issued by the same issuer may account for no more than 15% of the value of the Fund, unless the assets are in accordance with section 11(5) of the General Terms and Conditions.
- In addition, the Company may purchase transferable securities and other money market instruments under a reverse repurchase agreement if a positive assessment of the credit quality has been made in accordance with the statutory requirements and one of the following conditions is met:
  - They are issued or guaranteed by the EU, a central government authority or the central bank of an EU Member State or another signatory state to the Agreement on the European Economic Area, the European Central Bank, the European Investment Bank, the European Financial Stability Facility or the European Stability Mechanism and have received a positive assessment.
  - They are issued or guaranteed by a central government authority or the central bank of a third country and have received a positive assessment.

The Company expects that as a rule no more than 10% of the Fund assets will be the subject of repurchase transactions. However, this is only an estimated value which may be exceeded in individual cases. In the event that a standard repurchase transaction is terminated, the Company shall be entitled to demand the return of the assets transferred. In the event that a reverse repurchase transaction is terminated, either the full monetary amount shall be repaid or the accrued monetary amount shall be repaid at its current market value. Only "genuine" repurchase transactions are permitted. In a genuine repurchase transaction, the buyer assumes the obligation either to retransfer the assets at a predetermined time or at a time to be set by the seller, or to pay back the monetary amount with interest.

**At present, the Company is neither expecting nor planning to enter into repurchase transactions.**

## COLLATERAL STRATEGY

The Company accepts collateral for the account of the Fund in the course of derivatives and repurchase transactions. The collateral serves to fully or partially mitigate the risk that the counterparty to such transactions will default.

### Permitted types of collateral

The Company accepts the following assets as collateral for the Fund in respect of derivatives and repurchase transactions:

- cash securities in the form of bank deposits

### Scope of collateral

Derivatives and repurchase transactions must be sufficiently collateralised to ensure that the attributable amount for counterparty default risk does not exceed 5% of the value of the Fund. If the counterparty is a credit institution whose registered office is in an EU Member State, in another signatory state to the EEA Agreement or in a third country in which equal supervisory provisions apply, the attributable amount for default risk may be 10% of the value of the Fund.

### Valuation of collateral and valuation discount strategy ("haircut strategy")

The Company follows a haircut strategy whereby certain valuation discounts are applied to assets accepted as collateral. The term "haircut" is used for discounts applied to the current market value of collateral. The strategy applies to all assets permitted as collateral. The Company's haircut strategy contains a description of the minimum requirements in relation to permitted collateral and its valuation. The strategy takes account of features such as the credit rating of the issuer, the maturity of permitted bonds, currency and price volatility. Market prices are used for securities collateral. Furnished collateral is valued at least once every trading day. Margin settlement takes place every trading day. The amount of the haircut is chosen to ensure that any fluctuations in the value of the collateral occurring during the liquidation period will generally be covered in the event that a counterparty defaults. No haircut is applied to cash collateral. Irrespective of the quality of the furnished collateral or, in the case of reinvested collateral, the purchased investments, the Fund will be exposed to a risk of loss if the price of the collateral fluctuates more severely than was assumed when the haircut was set or the counterparty of the furnished collateral becomes insolvent.

### Investment of cash collateral

Cash collateral in the form of bank deposits may only be held in the currency of the original deposit in blocked accounts either at the Depository or, with the Depository's consent, at another credit institution, or invested in high quality bonds or short-term money market funds. It may only be reinvested in high-quality government bonds or short-term

money market funds. Cash collateral may also be invested at a credit institution by way of a reverse repurchase transaction, provided that the accrued deposit is repayable on demand at all times.

## LEVERAGE

Leverage means any method used by the Company to increase the Fund's investment ratio (gearing). Such methods include, in particular, entering into repurchase transactions and, where applicable, also the acquisition of derivatives with embedded leverage. The Company may use such methods for the Fund within the scope described in this Prospectus. The option to use derivatives and enter into repurchase transactions is set out in the sections "Investment principles" and "Repurchase transactions". The Company may at most double the market risk of the Fund by this method ("market risk limit": see under "Derivatives"). It restricts the use of leverage in the Fund.

## INTERNAL PROCESS FOR ASSESSING CREDIT QUALITY

The Company carries out an internal process for assessing the credit quality of issuers in which the Fund invests. The aim of this process is to select financial securities that are classified by the management company as creditworthy.

Included in the scope of this process are financial instruments that are selected with regard to their features (money market instruments, short-dated bonds, etc.) and their issuers. Excluded from the scope of this process are securities issued or guaranteed by the EU, a central authority or the central bank of an EU Member State, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility. All issuers that fall within the scope of the process are thoroughly validated prior to initial investment. Each issuer is reviewed and their authorisation renewed at least once a year and, if necessary, more often, if particular events involving the issuer so require. Specifically, the decision may be taken to retain a company's authorisation and to lower the level of an internal limit in view of a rating downgrade or to re-assess the credit quality of the issuer if its rating is unexpectedly downgraded to BBB by an external rating agency. The use of information about this rating downgrade therefore constitutes an additional warning that triggers a fresh review of an issuer's authorisation.

The information regarding the financial data of the issuers is gathered in particular on the basis of the companies' regular reports or on the website dedicated to the hedging portfolio for information about covered bonds. In addition to this financial data, various information is gleaned from meetings with the management, the Treasurer or the Investor Relations Manager, and analyses provided by counterparties are compiled. Furthermore, the analysts rely on rating agencies to anticipate potential rating changes.

## GENERAL RULES FOR ASSET VALUATION

### **Assets admitted to an exchange or traded on an organised market**

Assets that are admitted to trading on an exchange or admitted to or included in another organised market, and subscription rights held for the Fund, are valued at the last available trading price offering a reliable valuation, unless otherwise stated under "Special rules for the valuation of specific assets" below.

### **Assets not listed on an exchange or traded on an organised market/Assets with no trading price**

Assets that are neither admitted to trading on exchanges nor admitted to or included in another organised market, or for which no trading price is available, are valued at the current fair value that is appropriate on the basis of a careful assessment using suitable valuation models and taking overall market circumstances into account, unless otherwise stated under "Special rules for the valuation of specific assets" below.

## SPECIAL RULES FOR THE VALUATION OF SPECIFIC ASSETS

### **Unlisted debt securities**

For the valuation of debt securities that are neither admitted to trading on an exchange nor admitted to or included in another organised market (e.g. unlisted bonds, commercial paper and certificates of deposit), the agreed prices for similar bonds and, where appropriate, the market prices of bonds from similar issuers with the same maturity period and interest rate are used, subject where necessary to a discount to reflect limited saleability.

### **Options and futures contracts**

Where they are admitted to trading on an exchange or are admitted to or included in another organised market, options belonging to the Fund and liabilities on any options granted to a third party are valued at the latest available trading price that guarantees a reliable valuation. The same applies to receivables and liabilities on any futures contracts sold for the account of the Fund. Any margin payments made at the Fund's expense shall count towards the

value of the Fund, taking account of the valuation gains and losses ascertained on the trading day.

### **Bank deposits and fixed-term deposits**

Bank deposits are generally valued at their nominal value plus accrued interest. Fixed-term deposits are valued at their fair value, where the deposit can be terminated at any time and the repayment on termination is not made at the nominal value plus interest.

### **Assets denominated in foreign currency**

Assets denominated in foreign currency are converted at the 5 p.m. fixing of the valuation day of the World Market Rates (Source: Datastream).

### **SUB-FUNDS**

The Fund is not a subdivision of an umbrella fund.

### **UNITS**

The rights of investors are certified in unit certificates or issued as electronic unit certificates. Certified unit certificates are certified in global certificates only. These global certificates are deposited with a central securities depository. Investors may not demand the issue of individual unit certificates. Units may only be purchased for holding in custody accounts. Units are made out to the bearer.

### **ISSUE AND REDEMPTION OF UNITS**

#### **Issue of units**

The number of units that can be issued is in principle unlimited. Units may be purchased from the Company. They are issued by the Depositary at the issue price, which represents the net asset value per unit (the "unit value") plus an entry charge. Units may also be acquired via third-party intermediaries; additional costs may arise in this case. The Company reserves the right to discontinue the issue of units wholly or in part, either temporarily or permanently. Fractions (one-thousandth) of a unit may be acquired. Unitholders of the CR-EUR and DR-EUR unit classes can agree a savings plan with regular deposits from EUR 50 per month. The minimum lump-sum investment is EUR 100. The minimum initial investment for the CN-EUR unit class is EUR 100.

The minimum initial investment for the CI-EUR, DI-EUR and G-EUR unit classes is EUR 250,000. There is no minimum investment for subsequent investments. Savings plans are not available.

The minimum initial investment does not apply to investments made by the Company itself, by companies belonging to the ODDO BHF Group or to other investment funds managed by the Company or by companies belonging to the ODDO BHF Group.

#### **Redemption of units**

Investors may request redemption of their units on any valuation day, unless the Company has imposed restrictions on the redemption of units (see "Restrictions on redemptions") or temporarily suspended unit redemptions (see "Suspension of unit redemptions"). Redemption orders should be submitted to the Depositary, the Company itself or to an intermediary third party (e.g. custodian).

#### **Restrictions on redemptions**

The Company may restrict the redemption of units for up to 15 consecutive business days if the investors' redemption requests reach at least 15% of the net asset value on a settlement date (threshold). If the threshold is reached or exceeded, the Company will decide at its discretion whether to limit redemption on that settlement date. If the Company decides to limit redemption, it may extend the restriction for up to 14 consecutive business days on the basis of a daily judgement call. The decision to limit redemption may be taken if the redemption requests can no longer be executed in the interest of all investors due to the Fund's liquidity position. This may be the case, for example, if the liquidity of the Fund's assets deteriorates due to political, economic or other events on the markets and is therefore no longer sufficient to fully satisfy the redemption requests on the settlement date. In this case, the redemption restriction is to be regarded as a more moderate means compared to the suspension of redemption. If the Company decides to restrict the redemption, it will only redeem shares on a pro rata basis at the redemption price applicable on the settlement date; otherwise the redemption obligation ceases to be applicable. This means that each redemption order will only be carried out on a pro rata basis, according to a quota determined by the Company. The

Company determines the quota in the interest of the investors according to the available liquidity and the total order volume for the respective settlement date. The amount of liquidity available depends largely on the current market environment. The quota determines the percentage share at which the redemption requests are paid out on the settlement date. The unfulfilled part of the order (remaining order) will not be executed by the Company at a later date either, but will be forfeited (pro rata approach with forfeiture of the outstanding remaining order). The Company decides on each trading day whether to restrict redemption and, if so, on the basis of which quota. The Company may restrict redemption for up to 15 consecutive business days. The option to suspend redemption remains unaffected. The Company must publish information on the restrictions on redemptions and the lifting thereof on its website without delay. The redemption price is equal to the unit value determined on that day – less an exit charge, if applicable. Redemption may also be made via third-party intermediaries (e.g. the custodian bank); additional costs may be incurred by the investor in this case.

### Settlement of unit issues and redemptions

The Company conforms to the principle of the equal treatment of investors in that it ensures that no investor can obtain an advantage by buying or selling units at known unit values. It therefore imposes a daily cut-off time for orders. Issue and redemption orders that reach the Depositary or the Company by the order cut-off time are settled at the latest at the unit value determined on the day the order is received (= settlement date). Orders that reach the Depositary or the Company after the cut-off time are settled on the next valuation day (= settlement date) at the unit value determined on that day. The Company may change the order cut-off time at any time. Furthermore, third parties, for example the institution at which the investor's custody account is held, may act as intermediaries for the issue and redemption of units. This may result in longer settlement times. The Company has no influence over the different settlement terms of institutions providing custody accounts.

### Suspension of redemptions

The Company may temporarily suspend the redemption of units in exceptional circumstances where it appears necessary to do so, having regard to the interests of the investors. Such extraordinary circumstances arise for example where an exchange on which a material portion of the Fund's securities are traded is unexpectedly closed or if the Fund's assets cannot be valued. In addition, BaFin may order the Company to suspend redemptions where it is in the interests of the investors or in the public interest to do so. The Company reserves the right not to redeem or exchange units until it has promptly sold assets belonging to the Fund; in so doing, it must have regard to the interest of all investors. Such redemptions will be made at the redemption price valid after the sales. Temporary suspension may be followed directly by the winding-up of the Fund without any resumption of redemptions (in this regard, see under "Winding-up, transfer and merger of the Fund"). The Company shall inform investors of the suspension and resumption of unit redemptions by way of an announcement in the *Bundesanzeiger* (German Federal Gazette) and also on the Company's website, [am.oddo-bhf.com](http://am.oddo-bhf.com). Investors will also be informed by means of a durable medium, for instance in paper or electronic form, via their custody account provider.

### Exchange of units

Units in a unit class cannot be exchanged for units in another unit class. When a unit class is liquidated, the company is not obliged to offer the investor units in another unit class of the Fund (for details of the liquidation of a unit class, see "Winding-up, transfer and merger of the Fund").

## LIQUIDITY MANAGEMENT

The Company has laid down written principles and procedures for the Fund that enable it to monitor the Fund's liquidity risks and ensure that the liquidity profile of the Fund's investments covers the underlying liabilities. The principles and procedures comprise the following:

- The Company monitors liquidity risks that may arise at Fund or asset level. In doing so, it assesses the liquidity of the assets held in the Fund in relation to the Fund assets and determines a liquidity ratio for this purpose. The assessment of liquidity includes, for example, an analysis of the trading volume, the complexity of the asset, the number of trading days needed to dispose of the asset without impacting the market risk.
- The Company monitors liquidity risks that may arise as a result of increased investor demand for redemptions of units. In doing so, it forms expectations of changes in net funds taking into account available information about the investor structure and past experience of net historical changes. It takes into account the effects of wholesale recall risks and other risks (for example reputational risks).
- The Company has set adequate limits for liquidity risks for the Fund. It monitors compliance with these limits and has established procedures for exceeding or possibly exceeding the limits.

- The procedures established by the Company ensure consistency between the liquidity ratio, the liquidity risk limits and the expected net asset changes.

The Company reviews these principles regularly and updates them accordingly.

The Company performs regular stress tests at least once a month with which it can evaluate the Fund's liquidity risks. The Company performs the stress tests on the basis of reliable, up-to-date quantitative or, if this is unsuitable, qualitative information. Where appropriate, the stress tests simulate a lack of liquidity in the Fund's assets.

The redemption rights under normal and exceptional circumstances as well as the restriction or suspension of redemption are described under "Units" – "Issue and redemption of units" – "Restrictions on redemptions" and "Suspension of redemptions". The associated risks are described under "Risk information" – "Restriction or suspension of redemptions" and "Risk of restricted liquidity of the Fund (liquidity risk)".

## EXCHANGES AND MARKETS

The Company does not intend for the Fund units to be listed or traded on exchanges or other markets. It cannot be ruled out that units may be traded on markets without the Company's consent. A third party may cause units to be traded on unregulated markets or included in another form of off-exchange trading. The market price underlying trading on an exchange or another market will not be determined solely by the value of the assets held in the Fund, but also by supply and demand. Such a market price may therefore deviate from the unit value determined by the Company or the Depositary.

## FAIR TREATMENT OF INVESTORS AND UNIT CLASSES

Under section 15(3) of the Fund's General Terms of Investment, multiple unit classes may be issued that vary in terms of the income distribution policy, the entry charge, the currency of the unit value including the use of currency hedging transactions, the management fee, the depositary fee, the minimum investment amount or a combination of these features. Unit classes may be issued at any time at the Company's discretion. A unit class may exist even if no units are currently in issue. If a new unit class is formed, the units do not need to be issued immediately. The Company has launched the following unit classes, which differ in terms of the investors permitted to acquire and hold the units.

- Unit classes CI-EUR and DI-EUR
  - Units may only be acquired by eligible counterparties or professional investors within the meaning of Directive 2014/65/EU (MiFID II).
- Unit class CN-EUR
  - Investors who acquire the units through a financial intermediary that offers independent investment advice in line with MiFID II,
  - Investors who acquire the units through a financial intermediary under an agreement on fees stipulating that the intermediary is paid solely by the investor,
  - Companies that offer portfolio management services in line with MiFID II,
  - Undertakings for collective investment managed by ODDO BHF Group companies, and
  - ODDO BHF Group companies that offer investors investment advice under the terms of an agreement on fees.

The Company must treat the investors in the Fund fairly. In the course of managing liquidity risk and unit redemptions, it must not place the interests of one investor or group of investors above the interests of another investor or group of investors. See under "Settlement of unit issues and redemptions" and "Liquidity management" for the procedures the Company uses to ensure the fair treatment of investors.

## ISSUE AND REDEMPTION PRICES, CHARGES

### Issue and redemption prices

To calculate issue and redemption prices for the units of each unit class, the Company determines the value of the Fund's assets less its liabilities (the "net asset value") on each valuation day, subject to review by the Depositary. Dividing the net asset value thus determined by the number of units in issue gives the value of each unit (the "unit value"). The net asset value of a unit class is calculated by taking the value of the unit class on the previous valuation date and adding or subtracting the proportion of the net change in the value of the Fund that is attributable to that class

. The value of a unit in a unit class is calculated by dividing the value of the unit class by the number of units in issue in that class. The value of the units in the Fund is determined on each German exchange trading day. The Company and the Depositary may abstain from determining the value on public holidays within the scope in Germany that are trading days, as well as on 24 and 31 December of each year. At present, no unit value is calculated on New Year's Day, Shrove Monday, Good Friday, Easter Monday, May Day, Ascension Day, Whit Monday, Corpus Christi, German Unity Day, All Saints' Day, Christmas Eve, Christmas Day, Boxing Day or New Year's Eve.

### Suspension of issue/redemption price calculation

The Company may temporarily suspend the calculation of issue and redemption prices under the same conditions as for unit redemptions. These conditions are described in more detail under “Suspension of redemptions”.

### Entry charge and exit charge

The issue price is the same as the redemption price. No entry charge or exit charge is levied. The Company pays the issuance and distribution costs from the management fee it receives.

### Charges upon unit issue and redemption

Units are issued and redeemed by the Company or Depositary at the issue price (unit value) and redemption price (unit value) respectively, without the levying of any additional charges. If an investor acquires units via an intermediary, the charges levied by the intermediary may be higher than the entry charge. If an investor redeems units via an intermediary, the intermediary may levy its own charges upon redemption.

### Publication of issue and redemption prices

The issue and redemption prices and, where appropriate, the net asset value per unit are published on the Company's website, [am.oddo-bhf.com](http://am.oddo-bhf.com).

## MANAGEMENT AND OTHER CHARGES

### CR-EUR, DR-EUR, CN-EUR, CI-EUR, DI-EUR and G-EUR unit classes

1. Fees payable to the Company are as follows:
  - a) Management fee
 

The Company receives an annual fee for the Fund's management of up to 1.0% of the average value of the Fund in the accounting period based on the net asset value as determined each valuation day. The management fee may be withdrawn from the Fund at any time. The Company is free to charge a lower management fee for one or more unit classes. The Company shall state the management fee charged in the Prospectus and in the annual and half-yearly reports.
  - b) Repurchase transactions
 

Where the Company initiates, arranges and executes repurchase agreements for account of the Fund, the Company receives a customary market fee of up to one third of the gross income from these transactions. Costs arising in connection with the preparation and execution of such transactions, including fees payable to third parties, are borne by the Company.
2. Fees payable to third parties are as follows:
  - a) The Company pays an annual fee from the Fund for market risk and liquidity risk measurement as per the German Derivatives Regulation (Derivateverordnung) of up to 0.1% of the average value of the Fund in the accounting period based on the net asset value as determined each valuation day.
  - b) The Company pays an annual fee from the Fund for the employment of a collateral manager (“collateral manager fee”) of up to 0.2% of the average value of the Fund in the accounting period based on the net asset value as determined each valuation day. The Company is entitled to charge monthly pro rata advances on this amount. The Company is free to charge a lower fee or no fee at all.
3. Depositary fee
 

The Depositary receives an annual fee from the Fund for its services of up to 0.1% of the average value of the Fund in the accounting period based on the net asset value as determined each valuation day, subject to a minimum of EUR 5,000 p.a. The depositary fee may be withdrawn from the Fund at any time. The Depositary is free to charge a lower fee for one or more unit classes. The Company shall state the depositary fee charged in the Prospectus and in the annual and half-yearly reports.
4. Annual maximum amount permitted as per paragraphs 1(a), 2, 3 and 5(l)
 

The total amount withdrawn annually from the Fund pursuant to paragraphs 1(a), 2 and 3 by way of fees and pursuant to paragraph 5(l) for reimbursement of expenses may be up to 1.5% of the average value of the Fund in the accounting period based on the net asset value as determined each valuation day.

## 5. Expenses

In addition to the above fees, the following expenses are borne by the Fund:

- a) normal bank charges for custody accounts and bank accounts, including, where relevant, normal bank charges for the custody of foreign assets abroad;
- b) The costs of printing and distributing the legally prescribed marketing documents intended for investors (annual and half-yearly reports, prospectuses, Key Information Documents);
- c) the costs of publicising the annual and half-yearly reports, the issue and redemption prices and, where applicable, any distributions or income reinvestments and the winding-up report;
- d) the costs of the audit of the Fund performed by the Fund's auditor;
- e) the costs of the assertion and enforcement by the Company of legal claims for the account of the Fund and of defence by the Company against claims made against the Company to the detriment of the Fund;
- f) fees and charges levied by government bodies in relation to the Fund;
- g) the costs of legal and tax advice with regard to the Fund;
- h) costs and any fees that may be incurred in connection with the acquisition and/or use or setting of a benchmark or benchmark index;
- i) the costs of appointing proxy voters;
- j) costs for the analysis by third parties of the Fund's investment performance;
- k) the costs of creating and using a durable medium, except in the case of notices about mergers of investment funds or notices about measures in connection with breaches of investment limits or calculation errors in the determination of unit values;
- l) the costs of the provision by third parties of analysis material or services in relation to one or more financial instruments or other assets or in relation to the issuers or potential issuers of financial instruments or in close connection with a particular industry or market, up to an amount of 0.01% p.a. of the average value of the Fund in the accounting period based on the net asset value as determined each valuation day;
- m) Taxes incurred in connection with the fees payable to the Company, the Depositary and third parties, in connection with the above expenses and in connection with management and custody;
- n) The costs of publicising the basis of assessment and the notice that the tax information was determined in accordance with the provisions of German tax law.

## 6. Transaction costs

In addition to the fees and expenses above, costs arising in connection with the acquisition and disposal of assets are charged to the Fund.

## 7. Acquisition of investment fund units

The Company must disclose in the annual and half-yearly report the entry charge and exit charge amounts that were charged to the investment fund in the period under review for the subscription and redemption of units within the meaning of section 1(3) of the Specific Terms of Investment. For the acquisition of units managed directly or indirectly by the Company itself or another company with which the Company is associated by way of a substantial direct or indirect holding, the Company or the other company may not charge any entry or exit charges for subscription and redemption. The Company must disclose in the annual and half-yearly report the fee that was charged to the investment fund by the Company itself, by another (investment) management company or another company with which the Company is associated by way of a substantial direct or indirect holding for managing the units held in the investment fund.

**Please note that the fees stated above are maximum rates. Actual fees and entry charges are indicated on the section headed "ODDO BHF Money Market". However, the Company reserves the right to raise fees up to the maximum fee rates.**

The Company has not agreed any cap on the expenses or transaction costs referred to above under paragraphs 5 and 6. Transaction costs are expected to be up to 0.01% of Fund assets. This estimate may be exceeded where additional costs are shown to exist. The amount of transaction costs borne by the Fund depends on the number of transactions actually carried out during the financial year. Expenses are expected to amount to up to 0.02% of Fund assets. This estimate may be exceeded where additional costs are shown to exist. The Fund will only bear the expenses and transaction costs that are actually incurred, irrespective of whether they fall below or exceed the amount of any cap. Actual expenses and transaction costs charged can be found in the annual report.

**A material amount of the fees paid to the Company from the Fund, as well as part of the entry charge (if levied), may be used to remunerate distribution firms for the brokering of Fund units on the basis of the volume of units brokered. The**

amount of the distribution charges is measured for each sales channel based on the volume brokered. The Company also grants further benefits to its distributors in the form of non-cash support (e.g. staff training), which are likewise connected to the brokerage services. Such benefits are not contrary to the interests of the investors, but are designed to further improve the quality of the services provided by the distribution firms.

The Company and the Depositary may at their discretion agree partial refunds of management/depositary fees with individual investors. This will come into consideration in particular if institutional investors directly invest large amounts on a long-term basis. Queries in relation to such matters should be directed to the Retail Funds Sales Department at the Company.

#### SPECIAL CONSIDERATIONS WITH INVESTMENT FUND UNITS

In addition to the management fee, the target fund costs – in particular the depositary fee, performance fees, other fees, entry charges and exit charges, reimbursement of expenses and other costs – are charged directly or indirectly to the Fund.

The annual and half-yearly report discloses the entry charges and exit charges that were charged to the Fund in the period under review for the subscription and redemption of units in the target fund. The fee that was charged to the Fund by a German or foreign company or a company with which the Company is associated by way of a substantial direct or indirect holding for managing the target fund units held in the Fund is also disclosed.

#### INDICATION OF TOTAL EXPENSE RATIO (ONGOING CHARGES)

Management expenses incurred by the Fund are disclosed in the annual report and presented as a proportion of the average fund size (“total expense ratio”). Management expenses comprise the fees for the management of the Fund and the depositary fees, plus the additional expenses that may be charged to the Fund (see under “Management and other charges”). The total expense ratio does not include charges and ancillary expenses incurred upon the purchase and sale of assets (transaction costs).

#### DIFFERENT PRICES QUOTED BY DISTRIBUTORS

If third parties advise the investor on unit purchases or broker a sale, they may disclose charges or expense ratios which do not match the details of charges given in this Prospectus and in the Key Information Document and may exceed the total expense ratio described here. In particular, this may be because the third party has added on the costs of its own activity (e.g. brokerage, advice or custody account management). The third party may also include one-off costs such as entry charges, and will generally use different calculation methods or estimates for the expenses incurred at Fund level, which may in particular include the Fund’s transaction costs. Discrepancies in quoted costs may arise both in pre-contract information and in regular information on charges on an existing fund investment provided in the course of a long-term customer relationship.

#### REMUNERATION POLICY

##### **Company’s remuneration policy**

As an investment management company, the Company has drawn up a remuneration guideline in line with section 37 of the Investment Code. The remuneration guideline applies to all of the Company’s employees and includes specific remuneration rules for senior management, employees whose activities may have a material influence on the management company’s risk profile or investments under management (risk bearers), employees with a control function and all employees receiving overall remuneration that puts them in the same income bracket as senior management and risk bearers. The remuneration system aims to be compatible with a sound and effective risk management system. It should be conducive to this system and should not provide incentives to take risks that are incompatible with the Fund’s risk profile and Terms of Investment. The remuneration policy should also be in harmony with the business strategy, aims, values and interests of the Company as well as those of the funds it manages and their investors, as well as including measures to prevent conflicts of interest. The Company’s Supervisory Board oversees the remuneration systems, policy and structures, as well as the other benefits provided for the Company’s employees. The Company has a remuneration committee. The majority of the committee’s members are independent of the Company and consists of three members of the Supervisory Board of ODDO BHF SCA who have sufficient seniority and a sufficient overview of the ODDO BHF Group’s remuneration practices and governance and who are not an employee or officer of the Company. The remuneration committee deals with remuneration matters on behalf of the Company’s management board in accordance with the remuneration guideline. The remuneration of an employee of the Company is based on his/her role, the complexity thereof and the associated duties, and the normal remuneration

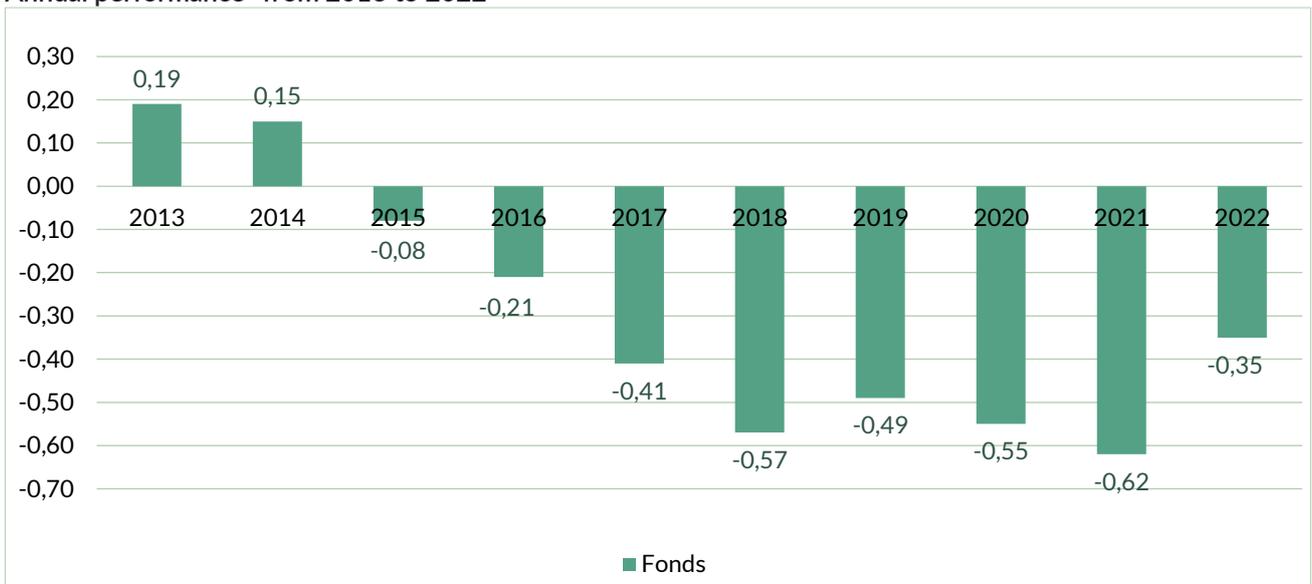
for such roles in the market. Variable remuneration is designed in accordance, among other things, with the nature of the individual divisions. No employee in a control function (e.g. in the Investment Controlling or Compliance departments) receives remuneration that is linked to the results of the division that he/she oversees or controls. In addition to the management board, all division heads within the Investment Management divisional who report directly to the CEO of the company and have decision-making powers regarding model portfolios or asset allocation were included in the group of identified employees. The Head of Investment Controlling and the Company's Compliance Officer have been identified as key employees responsible for independent control functions that have a direct influence on the Fund. Employees with a comparable overall remuneration level are identified each year and taken into account accordingly. Details of the company's current remuneration policy are available at [am.oddo-bhf.com](http://am.oddo-bhf.com). This includes a description of the methods used to calculate the remuneration and benefits paid to specific groups of employees, as well as the identities of the persons responsible for awarding remuneration and benefits and the integration of sustainability risk management into the remuneration. A paper copy may be requested from the Company free of charge.

**PERFORMANCE**

Past performance is not a reliable indicator of future performance. Markets could take a completely different course in the future. The chart enables you to evaluate how the Fund was managed in the past.

**ODDO BHF MONEY MARKET CR-EUR**

**Annual performance\* from 2013 to 2022**

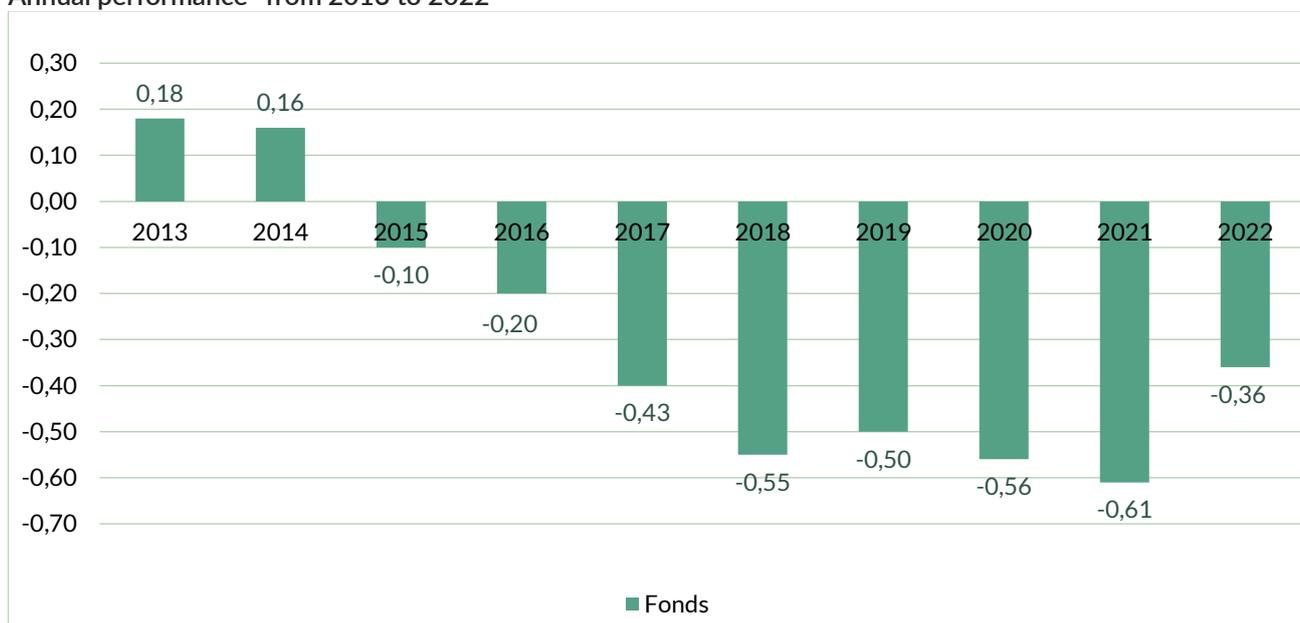


Source: Own calculations using BVI method

\*Basis of calculation: Unit price (excluding entry charge), withholding taxes reinvested. This chart shows unit class performance as a percentage loss or gain per annum over the past ten years. The performance shown is the figure after the deduction of ongoing costs. Entry and exit costs are not taken into account in the calculation.

ODDO BHF MONEY MARKET DR-EUR

Annual performance\* from 2013 to 2022



Source: Own calculations using BVI method

\*Basis of calculation: Unit price (excluding entry charge), dividends reinvested. This chart shows unit class performance as a percentage loss or gain per annum over the past ten years. The performance shown is the figure after the deduction of ongoing costs. Entry and exit costs are not taken into account in the calculation.

ODDO BHF MONEY MARKET CI-EUR

Annual performance\* from 2013 to 2022

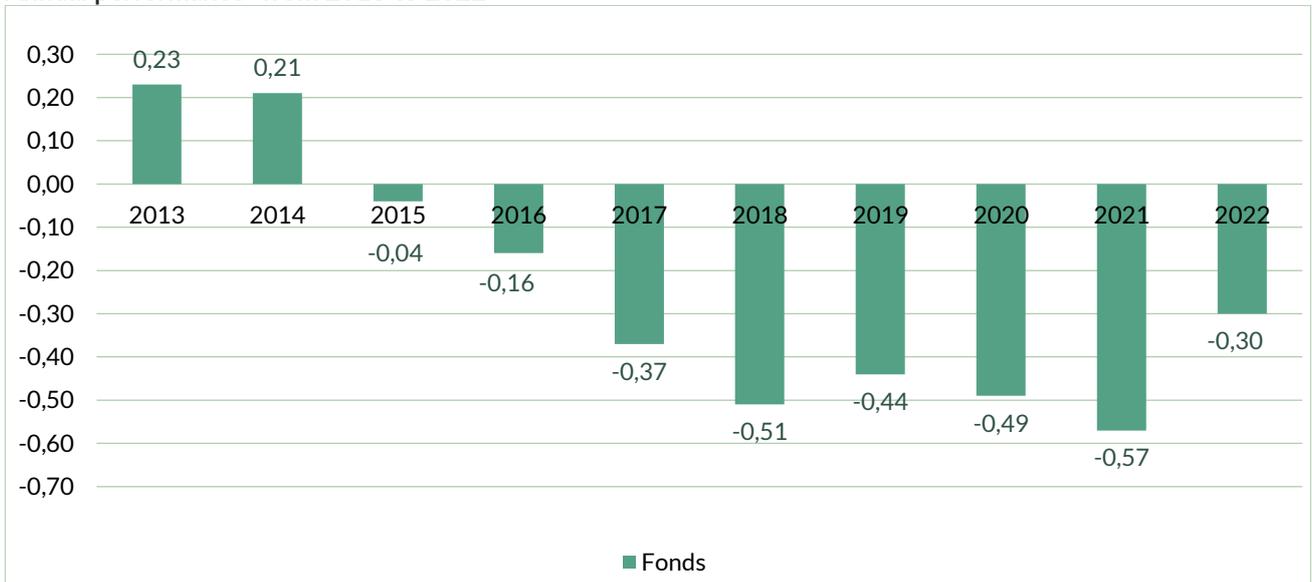


Source: Own calculations using BVI method

\*Basis of calculation: Unit price (excluding entry charge), withholding taxes reinvested. This chart shows unit class performance as a percentage loss or gain per annum over the past ten years. The performance shown is the figure after the deduction of ongoing costs. Entry and exit costs are not taken into account in the calculation.

ODDO BHF MONEY MARKET G-EUR

Annual performance\* from 2013 to 2022



Source: Own calculations using BVI method

\*Basis of calculation: Unit price (excluding entry charge), withholding taxes reinvested. This chart shows unit class performance as a percentage loss or gain per annum over the past ten years. The performance shown is the figure after the deduction of ongoing costs. Entry and exit costs are not taken into account in the calculation.

ODDO BHF MONEY MARKET CN-EUR

Annual performance\* from 2022



Source: Own calculations using BVI method

\*Basis of calculation: Unit price (excluding entry charge), withholding taxes reinvested. This chart shows unit class performance as a percentage loss or gain per annum over the past year. The performance shown is the figure after the deduction of ongoing costs. Entry and exit costs are not taken into account in the calculation.

UNIT CLASS DI-EUR

There is not yet sufficient data available to show the performance of a full calendar year.

Current performance data can be found in the annual and half-yearly reports, as well as on the Company's website at [am.oddo-bhf.com](http://am.oddo-bhf.com).

Past performance of the Fund is not a guide to future performance.

## DETERMINATION OF INCOME, INCOME EQUALISATION PROCEDURE

The Fund obtains income in the form of accrued interest and other income earned during the year, less costs. Additional income may result from the disposal of assets held for the account of the Fund. The Company applies an income equalisation procedure to each unit class. This prevents the proportion of distributable income contained within the unit price from fluctuating as a result of cash paid into and out of the Fund. Otherwise every new investment into the Fund during the year would mean there was less income per unit available for distribution on the distribution dates than would be the case if the number of units in issue were constant. Conversely, cash paid out on redemptions would mean that more income per unit was available for distribution than would be the case with a constant number of units in circulation. To prevent this, the amount of distributable income which unit purchasers must pay for as part of the issue price and which unit sellers receive as part of the redemption price is computed on an ongoing basis for each unit class, such amounts being treated as a distributable item in the income statement. It is accepted that investors who, for example, purchase units shortly before the distribution date will be repaid the portion of the issue price that relates to accrued income in the form of a dividend, even though the capital they paid in played no part in earning it.

## FINANCIAL YEAR AND INCOME DISTRIBUTION POLICY

### Financial year

The Fund's financial year ends on 30 September.

### Distribution

#### DR-EUR and DI-EUR unit classes

For the DR-EUR and DI-EUR unit classes, the Company generally distributes all interest and other income earned for the account of the Fund during the financial year, minus expenses and taking account of the income equalisation process. Realised gains on disposals may also be distributed, taking account of the income equalisation process.

### Crediting of distributions

Where units are held in a custody account at the Depositary, the Depositary will credit the distributions free of charge. Additional costs may arise if the custody account is held at another bank or savings institution.

### Reinvestment

#### CR-EUR, CN-EUR, CI-EUR and G-EUR unit classes

Income attributable to the CR-EUR, CN-EUR, CI-EUR and G-EUR unit classes is not distributed but is instead reinvested in the Fund ("accumulation").

## WINDING-UP, TRANSFER AND MERGER OF THE FUND

### Preconditions for the winding-up of the Fund

Investors are not entitled to demand the liquidation of the Fund. The Company may relinquish its right to manage the Fund, subject to a notice period of at least six months, by way of an announcement in the German Federal Gazette and in the annual or half-yearly report. Investors will also be informed of the notice to relinquish by their custody account provider via a durable medium, for example in paper or electronic form. The Company's right to manage the Fund ceases once the relinquishment takes effect. The Company's right to manage the Fund shall also cease if insolvency proceedings are opened in respect of the Company's assets or when a legal decision rejecting an application to open insolvency proceedings on the grounds of lack of assets becomes final and absolute. Upon cessation of the Company's right to manage the Fund, the right of disposition over the Fund's assets shall pass to the Depositary, who shall either wind up the Fund and distribute the proceeds to the investors or, subject to approval from BaFin, transfer the management to another investment management company.

### Procedure upon winding-up of the Fund

Once the right of disposition over the Fund's assets transfers to the Depositary, the issue and redemption of units shall cease and the Fund shall be wound up. The proceeds from the disposal of the Fund's assets, less any costs still to be

borne by the Fund and the costs incurred by virtue of the winding-up, shall be distributed to the investors, who shall have a claim to payment of the liquidation proceeds in proportion to their respective holdings in the Fund. The Company shall draw up a winding-up report as at the date on which the right of management ceases; this report shall fulfil the requirements for an annual report. The winding-up report shall be announced in the German Federal Gazette no later than three months after the date of winding-up of the Fund. While the Depositary is winding up the Fund, it shall draw up a report that meets the requirements for an annual report once a year and as at the date on which the winding-up is ended. These reports shall also be published in the German Federal Gazette no later than three months after the reporting date.

### **Transfer of the Fund**

The Company may transfer the right to manage and the right of disposal over the Fund to another investment management company. The transfer requires prior approval from BaFin. The authorised transfer will be announced in the German Federal Gazette and in the annual or half-yearly report of the Fund as well as in the electronic information media designated in this Prospectus. The time at which the transfer takes effect will be determined by the contractual agreements between the Company and the investment management company taking over. However, the transfer may not take effect until at least three months after its announcement in the German Federal Gazette. All rights and obligations of the Company in relation to the Fund shall then pass to the investment management company taking over.

### **Preconditions for the merger of the Fund**

All assets of this Fund may, subject to authorisation by BaFin, be transferred to another existing investment fund or a new investment fund to be created by the merger; such investment fund must satisfy the requirements for a UCITS established in Germany or another EU or EEA state. The transfer shall take effect as of the financial year-end of the merging fund (the “transfer date”), unless another transfer date is specified.

### **Rights of the investors upon a merger of the Fund**

Up until five working days before the planned transfer date, the investors shall have the option either to redeem their units at no extra charge other than costs to cover the winding-up of the Fund or to exchange their units for units in another open-ended retail investment fund that is also managed by the Company or by a company in the same Group and whose investment principles are similar to those of the Fund. The Company must inform investors in the Fund before the planned transfer date of the reasons for the merger, the potential effects for investors, their rights in connection with the merger and of significant aspects of the procedure by means of a durable medium, for instance in paper or electronic form. The Key Information Document for the investment fund to which the Fund’s assets will be transferred must also be provided to the investors. Investors must receive the above information at least 30 days before the deadline for the redemption or exchange of their units. On the transfer date, the respective net asset values of the Fund and of the absorbing investment fund shall be calculated, the unit conversion ratio shall be set and the entire conversion process shall be reviewed by the auditor. The unit conversion ratio shall be determined in accordance with the ratio of the net asset value per unit of the Fund to the net asset value per unit of the absorbing investment fund as at the time of the merger. Investors shall receive the number of units in the absorbing investment fund that corresponds to the value of their units in the Fund. If the investors do not exercise their right to redeem or exchange, they will become investors in the absorbing investment fund on the transfer date. The Company may also decide in conjunction with the management company of the absorbing investment fund that up to 10% of the value of the investors’ units should be paid out to them in cash. Upon the transfer of all its assets, the Fund will cease to exist. If the transfer takes place during the course of the Fund’s financial year, the Company must draw up a report as at the transfer date which meets the requirements for an annual report. The Company will announce in the Federal Gazette and in the electronic information media specified in this Prospectus that the Fund has been merged into another investment fund managed by the Company and that the merger has become effective. If the Fund is merged into another investment fund that is not managed by the Company, the management company that manages the absorbing or newly established investment fund shall assume responsibility for announcing the taking effect of the merger.

### **DELEGATION**

The Company has delegated the following activities:

#### **Fund administration**

Fund administration has been delegated to Universal-Investment-Gesellschaft mbH, Theodor-Heuss-Allee 70, 60486 Frankfurt am Main.

## Other delegated activities

The following activities have been delegated to ODDO BHF SE, Bockenheimer Landstrasse 10, 60323 Frankfurt am Main:

- IT
- Measures to enhance and monitor IT security
- Internal audit section
- Human resources section
- Archiving section
- Company's accounting section

The execution of trades (order desk) for some funds has been delegated to Baader Bank AG, Weißenstephaner Strasse 4, 85716 Unterschleißheim, Germany and ODDO BHF Asset Management SAS, 12, Boulevard de la Madeleine, 75009 Paris, France. Information technology (IT) has been delegated to ODDO BHF SCA, 12, Boulevard de la Madeleine, 75009 Paris, France. Collateral management and reporting to the trade repository have been outsourced to CACEIS Bank, Luxembourg branch, 5, allée Scheffer, 2520 Luxembourg. Middle and back office activities were partially outsourced to ODDO BHF Solutions GmbH, Berliner Promenade 1-2, 66111 Saarbrücken, Germany.

The Company has the right to issue instructions to the above companies at any time in relation to the delegated activities. It may also terminate their contracts and either delegate the tasks in question to third parties or perform them itself.

The following conflicts of interest may arise due to delegation:

- The subcontractor may be an affiliate of the Company.
- The interests of the subcontractor may conflict with the Company, the Fund or the Fund's investors.
- Financial benefits or an absence of financial disadvantages on the part of the subcontractor, to the detriment of the Company, the Fund or the Fund's investors.
- The subcontractor may receive or grant benefits that are liable to influence conduct in a way that is contrary to the interests of the Company, the Fund or the Fund's investors.
- The fund manager may not act exclusively for the Company and may be permitted to carry out fund management for other investment funds.
- The fund manager may not be prohibited in principle from acquiring, within the context of its investment strategy, its own issues or other investment funds that it manages or advises.

## CONFLICTS OF INTEREST

Conflicts of interest may arise with the Company. The interests of the investors may conflict with the following interests:

- interests of the Company and affiliates of the Company,
- interests of the Company's employees,
- interests of any other person directly or indirectly associated with the Company by way of a control relationship, or
- interests of other investors in the Fund or another fund.

Circumstances or relationships that may give rise to conflicts of interest include in particular:

- incentive systems for the Company's employees,
- employee trades,
- benefits granted to the Company's employees,
- acquisition of products issued by affiliates or in whose issue an affiliate was involved,
- reallocations within the Fund,
- window-dressing of fund performance at the year-end,
- transactions between the Company and investment funds or personal portfolios under the Company's management, or
- transactions between investment funds or personal portfolios under the Company's management,
- aggregation of multiple orders (block trades),
- hiring of affiliates and related persons,
- large individual investments,
- where, following the oversubscription of a share issue, the Company has subscribed for shares on behalf of several investment funds or personal portfolios ("IPO allotments"),
- late trading, i.e. transactions made after the close of trading at the known closing price for the day,
- exercise of voting rights.

The Company may obtain benefits in kind (broker research, financial analysis, market and pricing information systems) in connection with transactions made for the account of the Fund; use is made of such benefits when taking investment

decisions in the interests of the investors. The Company does not receive any rebates on fees and expense reimbursements paid from the Fund to the Depositary or any third parties. The Company grants brokerage fees in the form of broker trail commissions to intermediaries, e.g. credit institutions, on a recurring basis, generally annually. The amount of such commissions is essentially dependent on the volume brokered. Payment is borne by the Company. Broker trail commissions do not constitute an additional charge for the investors.

The Company employs the following organisational measures to identify, prevent, manage, monitor and disclose conflicts of interest:

- Existence of a compliance department, which monitors compliance with laws and regulations and to which conflicts of interests must be notified,
- duties of disclosure,
- organisational measures such as
  - segregation of duties and physical segregation,
  - retention of existing and creation of new confidentiality zones and the establishment of an information management system, so as to prevent the misuse of confidential information,
  - allocating responsibilities in such a way as to prevent undue exertion of influence,
  - establishing organisational rules and defining and documenting workflows,
- rules of conduct for employees in relation to employee trading, imposition of obligations to comply with insider trading law and training courses,
- setting principles for the remuneration system and rules on the acceptance, granting and disclosure of benefits,
- setting rules in relation to the receipt of other benefits in kind.
- principles for taking account of clients' interests and providing advice that is appropriate for clients and investments, as well as observation of the agreed investment principles,
- best execution policy for the acquisition and disposal of financial instruments,
- proxy voting policy,
- existence of a conflict-of-interest policy,
- implementing procedures and measures to prevent transaction costs from having an unreasonable impact on investors' interests,
- setting a limit for portfolio churn,
- establishing order cut-off times,
- investment advisors and fund managers are contractually bound to avoid conflicts of interest.

## BRIEF DETAILS OF TAX REGULATIONS

These comments on tax regulations apply only to investors with an unrestricted liability to tax in<sup>5</sup> Germany. We recommend<sup>6</sup> that foreign investors contact their tax advisors before purchasing units in the Fund described in this Prospectus and clarify the potential tax consequences for them in their home country of purchasing units.

As a special-purpose fund (*Zweckvermögen*), the Fund is in principle exempt from corporation tax and trade tax. However, under the rules for limited income tax liability, it is partially liable to corporation tax in respect of its German equity income and other forms of domestic income, although not in respect of gains made on the sale of holdings in corporate entities. The tax rate is 15%. Insofar as the tax is collected by way of the investment income withholding tax (capital gains tax), the solidarity surcharge is included in the 15% tax rate. For private investors, however, earnings obtained from the Fund are classed as income from capital assets. As such, they are subject to income tax to the extent that the investor's total income from capital assets exceeds the annual savings allowance of EUR 1,000 (for taxpayers assessed individually) or EUR 2,000 (for married couples assessed jointly). Income from capital assets is generally subject to a 25% tax deduction at source (plus solidarity surcharge and church tax, where applicable). Income from capital assets also includes income from investment funds ("Investmentserträge"), i.e. fund distributions, advance lump sums and gains on the disposal of fund units. Under certain conditions investors will receive a fixed part of this investment income tax-free (a "partial tax exemption"). For private investors, the tax deduction at source generally functions as a "final withholding tax", i.e. it settles the tax liability once and for all. Normally, therefore, income from capital assets does not need to be declared in your income tax declaration. When it levies the tax deduction, your custody account provider will generally offset any eligible losses and any foreign withholding taxes arising on direct investments. However, if your personal tax rate is lower than the 25% tax deduction rate, the tax deduction will not rank as final settlement. In this case, it is possible to declare the income from capital assets in your income tax return. The Tax Office will then apply your lower personal tax rate and count the tax deduction as a prepayment against your total personal tax liability (this is called the "most favourable treatment test"). Any income from capital assets that has

<sup>5</sup> Investors with an unlimited liability to tax are referred to below as German taxpayers.

<sup>6</sup> Foreign investors are investors who do not have an unlimited liability to tax in Germany. They are referred to below as non-German taxpayers.

not been subject to a tax deduction (e.g. a gain realised on the sale of Fund units held in a custody account outside Germany) must be declared in your tax declaration. Such income will then be assessed to tax either at the final withholding tax rate of 25% or at your personal tax rate, whichever is lower.

Where units are held as part of the assets of a business, any income will be treated as business income for tax purposes.

#### **UNITS HELD AS PERSONAL ASSETS (GERMAN TAXPAYERS)**

##### **Distributions**

Distributions from the Fund are generally taxable. Taxable distributions are generally subject to the 25% tax deduction (plus solidarity surcharge and church tax, where applicable). No deduction is made if the investor is a German taxpayer and has presented an exemption form, to the extent that the taxable part of the income does not exceed EUR 1,000 (for taxpayers assessed individually) or EUR 2,000 (for taxpayers assessed as married couples). The same applies if a "non-assessment notice" (Nichtveranlagungsbescheinigung) has been presented for a person who is not expected to be assessed to income tax.

If a German-resident investor holds units in a German custody account, the custody account provider will not deduct tax in its capacity as paying agent if it is presented with one of these forms before the set distribution date, i.e. either an exemption form complying with the official model and covering a sufficiently large amount or a non-assessment notice issued by the Tax Office for a period of up to three years. Where this is the case, the investor will be credited with the full gross amount of the distribution.

##### **Advance lump sums**

The advance lump sum (Vorabpauschale) is the amount by which the Fund's distributions fall short of its "base income" in a given calendar year. The base income is determined by multiplying the unit redemption price at the start of the calendar year by 70% of the base interest rate, which is derived from the long-term yield achievable from public-sector bonds. The base income is limited to the amount by which the last redemption price set in the calendar year exceeds the first redemption price, plus any distributions made within the year. In the year in which the units are acquired, the advance lump sum is reduced by one twelfth for each full month preceding the month of acquisition. Investors are deemed to have received the advance lump sum on the first working day of the following calendar year. Advance lump sums are generally taxable. The taxable part of the advance lump sum is generally subject to the 25% tax deduction (plus solidarity surcharge and church tax, where applicable). No deduction is made if the investor is a German taxpayer and has presented an exemption form, to the extent that the taxable part of the income does not exceed EUR 1,000 (for taxpayers assessed individually) or EUR 2,000 (for taxpayers assessed as married couples). The same applies if a "non-assessment notice" (Nichtveranlagungsbescheinigung) has been presented for a person who is not expected to be assessed to income tax. If a German-resident investor holds units in a German custody account, the custody account provider will not deduct tax in its capacity as paying agent if it is presented with one of these forms before the date of receipt, i.e. either an exemption form complying with the official model and covering a sufficiently large amount or a non-assessment notice issued by the Tax Office for a period of up to three years. In this case, no tax is levied. Otherwise, the investor must make the amount of the withholding tax available to his or her custody account provider. To this end, the custody account provider may take the amount of the withholding tax from any bank account at the institution in the investor's name without the investor's consent. Unless the investor objects prior to the receipt of the advance lump sum, the custody account provider may also debit the amount of the tax deduction from a bank account in the investor's name as if there were an agreed overdraft available on this account. If the investor does not comply with his/her duty to make the amount of the tax deduction available to his/her German custody account provider, the custody account provider is obliged to notify this fact to the Tax Office responsible for the investor. In this case, the investor must declare the advance lump sums in his or her income tax declaration.

##### **Gains on disposals at the level of the investor**

Gains made on the disposal of units in the Fund are subject to the 25% final withholding tax. Where the units are held in a German custody account, the tax deduction will be made by the custody account provider, less any partial exemptions. The 25% tax deduction (plus solidarity surcharge and church tax, where applicable) may be avoided by presenting an exemption form covering the amount in question or a non-assessment form. If a private investor sells such units at a loss, the loss – possibly reduced on the basis of a partial exemption – may be offset against other positive income from capital assets. If the units are held in a German custody account and positive income from capital assets is obtained in the same account in the same calendar year, the custody account provider will offset the losses accordingly. Gains on disposal are reduced by the amount of any advance lump sums assessed during the holding period.

#### **UNITS HELD AS BUSINESS ASSETS (GERMAN TAXPAYERS)**

## Repayment of Fund's corporation tax

The Fund can obtain a refund of corporation tax levied at Fund level to pass on to an investor, where this investor is (i) a German corporation, association of persons or pool of assets which, according to its articles of association, deed of foundation or other constitutive document and in its actual course of business, exclusively serves non-profit, charitable or church purposes, or (ii) a foundation under public law that exclusively serves non-profit or charitable purposes, or (iii) a legal entity under public law that exclusively and directly serves church purposes; this shall not apply if the units are held within a commercial business. The same applies in respect of comparable foreign investors whose registered office and management is located in a foreign country that provides official tax cooperation.

This is provided that any such investor makes an application accordingly and a portion of the corporation tax incurred is attributable to the investor's holding period. The investor must also have been the legal and economic owner of the units for at least three months before the Fund's taxable income was received, without there being any obligation to transfer the units to another person. With respect to corporation tax to which the Fund is liable on German dividends and income from German equity-like participation rights, repayment is also essentially conditional on the German shares or equity-like participation rights being held by the Fund as economic owner for an uninterrupted period of 45 days within the time from 45 days before to 45 days after the payment date of the investment income, while being exposed to a minimum value change risk of 70% without interruption during that 45-day period (the "45-day rule"). The application shall be accompanied by evidence of tax exemption and a certificate of the unit holding issued by the custody account provider. The unit holding certificate is a certificate, issued in accordance with an official template, that shows the number of units held by the investor throughout the calendar year and the dates and amounts of purchases and sales of units during the calendar year. The Fund can also obtain a refund of corporation tax levied at Fund level for forwarding to an investor where the Fund units are held in retirement plans or basic pension plans that have been certified under the German Certification of Retirement Plans Act (*Altersvorsorgeverträge-Zertifizierungsgesetz*). This is subject to the requirement that the provider of the retirement or basic pension plan notifies the Fund within one month after its year end of the timing and amount of the purchase and disposal of units. In addition, the aforementioned 45-day rule must be taken into consideration.

Neither the Fund nor the Company has an obligation to claim repayment of the relevant corporation tax for forwarding to the investor. Given the complexity of the rules, it is advisable to consult a tax advisor.

## Distributions

Distributions made by the Fund are generally subject to income tax or corporation tax and to trade tax. Distributions are generally subject to the 25% tax deduction (plus solidarity surcharge).

## Advance lump sums

The advance lump sum (Vorabpauschale) is the amount by which the Fund's distributions fall short of its "base income" in a given calendar year. The base income is determined by multiplying the unit redemption price at the start of the calendar year by 70% of the base interest rate, which is derived from the long-term yield achievable from public-sector bonds. The base income is limited to the amount by which the last redemption price set in the calendar year exceeds the first redemption price, plus any distributions made within the year. In the year in which the units are acquired, the advance lump sum is reduced by one twelfth for each full month preceding the month of acquisition. Investors are deemed to have received the advance lump sum on the first working day of the following calendar year. Advance lump sums are generally subject to income tax or corporation tax and trade tax. Advance lump sums are generally subject to the 25% tax deduction (plus solidarity surcharge).

## Gains on disposals at the level of the investor

Gains on the disposal of Fund units are generally subject to income tax or corporation tax and trade tax. Gains on disposal are reduced by the amount of any advance lump sums assessed during the holding period. The gain made on the notional disposal must be determined separately for units that are attributable to an investor's business assets. Gains on the disposal of Fund units are generally not subject to capital gains tax.

## Negative taxable income

Negative taxable income cannot be allocated to individual investors.

## Tax on winding-up

Distributions made in the course of the Fund's winding-up are deemed to be a tax-free repayment of capital provided that the last redemption price set in that calendar year is lower than the amortised cost

SUMMARY OF TAX TREATMENT FOR COMMON TYPES OF INVESTOR

	Distributions	Advance lump sums	Gains on disposal
German investors			
Sole traders	<b>Capital gains tax:</b> 25% (account is taken of the 30% partial exemption for equity funds and the 15% partial exemption for mixed-asset funds)		<b>Capital gains tax:</b> No tax deducted
	<b>Material taxation:</b> Income tax and trade tax, taking account of partial exemptions where applicable (equity funds: 60% for income tax/30% for trade tax; mixed-asset funds: 30% for income tax/15% for trade tax)		
Corporations (standard tax regime) (typically industrial firms; banks, except where units are held as trading assets; general insurers)	<b>Capital gains tax:</b> No tax deducted for banks, otherwise 25% (account is taken of the 30% partial exemption for equity funds and the 15% partial exemption for mixed-asset funds)		<b>Capital gains tax:</b> No tax deducted
	<b>Material taxation:</b> Corporation tax and trade tax, taking account of partial exemptions where applicable (equity funds: 80% for corporation tax/40% for trade tax; mixed-asset funds: 40% for income tax/20% for trade tax)		
Life and health insurance undertakings and pension funds holding fund units as part of their capital investments	<b>Capital gains tax:</b> No tax deducted		
	<b>Material taxation:</b> Corporation tax and trade tax, except insofar as tax-allowable provisions for premium rebates have been made in the balance sheet. Where applicable, account is taken of partial exemptions (equity funds: 30% for corporation tax/15% for trade tax; mixed-asset funds: 15% for corporation tax/7.5% for trade tax)		
Banks holding fund units as trading assets	<b>Capital gains tax:</b> No tax deducted		
	<b>Material taxation:</b> Corporation tax and trade tax, taking account of partial exemptions where applicable (equity funds: 30% for corporation tax/15% for trade tax; mixed asset funds: 15% for income tax/7.5% for trade tax)		
Tax-exempt non-profit charitable or church investors (particularly churches, non-profit foundations)	<b>Capital gains tax:</b> No tax deducted		
	<b>Material taxation:</b> Tax-exempt – corporation tax levied at Fund level may also be refunded on request		
Other tax-exempt investors (particularly pension funds, funeral expense funds and benevolent funds, provided that the requirements set out in the Corporation Tax Act are met)	<b>Capital gains tax:</b> No tax deducted		
	<b>Material taxation:</b> Tax-exempt		

It is assumed that the units will be held in a German custody account. A solidarity surcharge is levied on top of capital gains tax, income tax and corporation tax. Where no capital gains tax is deducted, certificates may need to be presented to the custody account provider by the appropriate deadline to ensure that the deduction is not made.

## NON-GERMAN TAXPAYERS

Where a non-German taxpayer holds Fund units in a custody account at a German institution, no tax will be deducted in relation to distributions, advance lump sums and gains on disposal provided that the account holder provides evidence that he/she is not tax-resident in Germany. If the custody account provider is unaware that the account holder is a non-resident or is not made aware of this fact by the relevant deadline, the foreign investor must apply for a refund of the tax deduction in accordance with section 37(2) of the German Tax Code (Abgabenordnung). This should be submitted to the Tax Office responsible for the custody account provider.

## SOLIDARITY SURCHARGE

Tax deductions made on distributions, advance lump sums and gains on disposals of units are subject to an additional solidarity surcharge of 5.5%.

## CHURCH TAX

Where income tax is collected by way of a tax deduction at source made by the custody account provider (the withholding agent), any church tax chargeable will routinely be collected as an additional part of the tax deduction, at the church tax rate set by the religious denomination to which the taxpayer belongs. Account is taken of the deductibility of church tax as "special expenditure" when the deduction is made, which reduces the amount payable.

## FOREIGN WITHHOLDING TAXES

Some of the Fund's foreign income is subject to withholding taxes levied at source in the country of origin. Such withholding taxes cannot be used to reduce the investor's liability to German tax.

## CONSEQUENCES OF FUND MERGERS

Where a German investment fund is merged into another German investment fund, to which the same partial exemption rate applies, this will not trigger the release of any hidden reserves either at the level of the investor or at the level of the investment funds themselves, i.e. this procedure is tax-neutral. If the merger plan provides for a cash payment to be made to the investors of the merging investment fund, this will be treated as a distribution. If the partial exemption rate applicable to the merging investment fund is different to that of the absorbing investment fund, then the investment fund unit of the merging investment fund is deemed to have been sold and that of the absorbing investment fund is deemed to have been purchased. The gain on the notional disposal is not deemed to have been made until the investment fund unit of the absorbing investment fund is actually sold.

## AUTOMATIC EXCHANGE OF TAX INFORMATION

The significance of the automated international exchange of information aimed at combating cross-border tax fraud and tax evasion has increased significantly in recent years. For this, and among other things, the OECD has published a global standard – the Common Reporting Standard or "CRS" – for the automated sharing of information on financial accounts in tax matters. The CRS was established by Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation. The participating states (all EU Member States plus a number of third countries) now apply the CRS. Germany transposed the CRS into German law in the Financial Accounts Information Exchange Act of 21 December 2015. The CRS obligates reporting financial institutions (essentially banks) to obtain certain information about their customers. If customers (private individuals or legal entities) are notifiable persons resident in other participating states (this excludes e.g. listed companies and financial institutions), bank accounts and custody accounts belonging to those persons are classed as notifiable accounts. Each reporting financial institution will then pass certain information on every notifiable account to the tax authority in its home country. The authority will then pass the information to the tax authority in the home country of the customer. The information to be reported essentially comprises the personal data of the reportable client (name; address; tax identification number; date and place of birth for private individuals; country of residence) and information about the bank accounts and custody accounts (e.g. account number; account balance/value; total gross income such as interest, dividends or fund distributions; total gross proceeds from the sale or redemption of financial assets, including fund units).

Specifically, therefore, the regime affects notifiable investors who hold a bank account and/or custody account at a credit institution which is resident in a participating state. German credit institutions will therefore report information about investors resident in other participating states to the Federal Central Tax Office, which forwards the information to the tax authorities in the investors' respective countries of residence. Credit institutions in other participating states

will likewise forward information about investors resident in Germany to their home tax authority, which forwards it to the Federal Central Tax Office. It is also conceivable that credit institutions located in other participating states will report information about investors resident in a third participating state to their home tax authorities, which will then forward the information to the tax authorities in the investors' respective countries of residence.

## GENERAL INFORMATION

The tax information is based on the current legal position. It is aimed at persons with an unrestricted liability to income tax or corporation tax in Germany. However, there is no guarantee that the current tax treatment will not change due to legislation, court judgments or decisions of the tax authority.

## AUDITOR

The auditor of the Fund and the annual report is PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main. The auditor audits the annual report of the Fund. The auditor summarises the result of the audit in an audit opinion, which must be reproduced verbatim in the annual report. In the course of the audit, the auditor must also determine whether the management of the Fund has been conducted in accordance with the Investment Code and the Terms of Investment. The auditor must submit its report on the audit of the Fund to BaFin.

## SERVICE PROVIDERS

Firms that carry out functions delegated by the Company are described under "Delegation". The Company has also engaged the following service providers:

### Legal advisors

The Company monitors potential investor claims that may be enforced through capital market class actions and the ability to participate in disbursements of US settlement pools through the law firm DRRT, Diaz Reus & Targ LLP, Frankfurt am Main, Miami, Dubai. Engagement of the firm does not create a legal relationship between the firm and the investors in the Fund.

The Company has not engaged any other service providers relevant to the management of the Fund.

## PAYMENTS TO INVESTORS/DISTRIBUTION OF REPORTS AND OTHER INFORMATION

The engagement of the Depositary ensures that reinvested earnings are credited to the investors, distributions are received by investors and units are redeemed. The investor information referred to in this Prospectus can be requested in the ways described under "Sales documentation and disclosure of information". These documents can also be obtained from the Depositary and sales offices.

## OTHER INVESTMENT FUNDS MANAGED BY THE COMPANY

The Company also manages the following retail investment funds, which are not covered by this Prospectus:

Fund name	ISIN	Fund name	ISIN
Accelerate V	DE000A0DPZE9	ODDO BHF Green Bond DP-EUR	DE000A2JQGY8
Basis-Fonds I Nachhaltig	DE0008478090	ODDO BHF Polaris Moderate CR-EUR	DE000A2JJ1W5
Balanced Smart Global R	DE000A1XDYN5	ODDO BHF Polaris Moderate DRW-EUR	DE000A0D95Q0
Balanced Smart Global I	DE000A2QBG54	ODDO BHF Polaris Moderate CI-EUR	DE000A2JJ1S3
Balanced Smart Global N	DE000A2QBG62	ODDO BHF Polaris Moderate GC-EUR	DE000A2JJ1T1
DC Value Global Balanced (PT)	DE000A0YAX72	ODDO BHF Polaris Moderate CN-EUR	DE000A2JJ1V7
DC Value Global Balanced (IT)	DE000A0YAX64	ODDO BHF Polaris Moderate CNW-EUR	DE000A1XDYL9
DC Value Global Balanced (SI)	DE000A3C7Z45	ODDO BHF Polaris Moderate DI-EUR	DE000A2P5QA0
DC Value Global Equity (IT)	DE000A3CNEH8	ODDO BHF Polaris Moderate DIW-EUR	DE000A2P5QB8
DC Value Global Equity (PT)	DE000A2DJU61	ODDO BHF Polaris Moderate CIW-EUR	DE000A2P5QC6
FT EuroGovernments M	DE000A0NEBR5	ODDO BHF Polaris Moderate CN-CHF	DE000A2P5QD4
Global Multi Invest	DE000A1CUGL4	ODDO BHF Polaris Moderate LV DRW-EUR	DE000A3CNEF2
Kapital Privat Portfolio	DE000A0MYEF4	ODDO BHF Polaris Moderate LV GCW-EUR	DE000A3CNEE5
Managed ETF <sup>plus</sup> – Portfolio Balance	DE000A0M1UN9	ODDO BHF Stiftungsfonds defensiv (I)	DE000A3CNEL0
Managed ETF <sup>plus</sup> – Portfolio Opportunity	DE000A0NEBL8	ODDO BHF Stiftungsfonds defensiv (R)	DE000A3CNEK2
Mauselus	DE000A0DPZF6	ODDO BHF Sustainable German Equities DR-EUR	DE0008478058
ODDO BHF Algo Global CRW-EUR	DE0009772988	ODDO BHF Sustainable German Equities DN-EUR	DE000A141WY6
ODDO BHF Algo Global DRW-EUR	DE000A141W00	ODDO BHF <i>WerteFonds</i>	DE0007045148
ODDO BHF Algo Global CNW-EUR	DE000A141WT6	s+h Globale Märkte	DE000A0MYEG2
ODDO BHF Algo Global CIW-EUR	DE000A1XDYM7	Schmitz & Partner Global Defensiv	DE000A0M1UL3
ODDO BHF Algo Sustainable Leaders CRW-EUR	DE0007045437	Schmitz & Partner Global Offensiv	DE000A0MURD9
ODDO BHF Algo Sustainable Leaders DIW-EUR	DE000A0RG5Y7	Substanz-Fonds A	DE000A0NEBQ7
ODDO BHF Algo Sustainable Leaders CNW-EUR	DE000A2P5QE2	Substanz-Fonds M	DE000A2QBG96
ODDO BHF Algo Sustainable Leaders CPW-EUR	DE000A2P5QF9	Vermögens-Fonds A	DE000A0MYEJ6
ODDO BHF Algo Sustainable Leaders DRW-EUR	DE000A2P5QK9	Vermögens-Fonds M	DE000A3CNEC9
ODDO BHF Algo Sustainable Leaders CIW-EUR	DE000A2QBG05	Westfalicafonds Aktien Renten	DE000A1XDYE4
ODDO BHF Algo Sustainable Leaders Ad missionem	DE000A2ATAL1	Vermögens-Fonds A	DE000A0MYEJ6
ODDO BHF Green Bond CR-EUR	DE0008478082	Vermögens-Fonds M	DE000A3CNEC9
ODDO BHF Green Bond CN-EUR	DE000A141WX8	Westfalicafonds Aktien Renten	DE000A1XDYE4

The Company also manages 62 special investment funds.

## SUB-CUSTODIANS

The Depository has subcontracted custodial services to another company (a sub-custodian) in the following countries:

Country/market	Sub-custodian	Country/market	Sub-custodian
<b>Egypt</b>	HSBC Bank Egypt S.A.E.	<b>Japan</b>	Mizuho Bank, Ltd. MUFG Bank, Ltd.
<b>Argentina</b>	The Branch of Citibank N.A. in the Republic of Argentina	<b>Jordan</b>	Bank of Jordan PLC
<b>Australia</b>	Citigroup Pty Limited The Hongkong and Shanghai Banking Corporation Limited	<b>Cayman Islands</b>	The Bank of New York Mellon
<b>Bahrain</b>	HSBC Bank Middle East Limited	<b>Canada</b>	CIBC Mellon Trust Company (CIBC Mellon)
<b>Bangladesh</b>	The Hongkong and Shanghai Banking Corporation Limited	<b>Channel Islands</b>	The Bank of New York Mellon
<b>Belgium</b>	The Bank of New York Mellon SA/NV	<b>Kazakhstan</b>	Citibank Kazakhstan Joint-Stock Company
<b>Bermuda</b>	HSBC Bank Bermuda Limited	<b>Qatar</b>	Qatar National Bank The Hongkong and Shanghai Banking Corporation Limited
<b>Botswana</b>	Stanbic Bank Botswana Limited	<b>Kenya</b>	Stanbic Bank Kenya Limited
<b>Brazil</b>	Citibank N.A., Brazil Itaú Unibanco S.A.	<b>Colombia</b>	Cititrust Colombia S.A. Sociedad Fiduciaria
<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch	<b>Croatia</b>	Privredna banka Zagreb d.d.
<b>Chile</b>	Banco Santander Chile	<b>Kuwait</b>	HSBC Bank Middle East Limited, Kuwait
<b>China</b>	HSBC Bank (China) Company Limited Bank of China Limited	<b>Latvia</b>	AS SEB banka
<b>Costa Rica</b>	Banco Nacional de Costa Rica	<b>Lithuania</b>	AB SEB bankas
<b>Denmark</b>	Skandinaviska Enskilda Banken AB (Publ)	<b>Luxembourg</b>	Euroclear Bank SA/NV
<b>Germany</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch	<b>Malawi</b>	Standard Bank PLC
<b>Estonia</b>	SEB Pank AS	<b>Malaysia</b>	Standard Chartered Bank Malaysia Berhad
<b>Euromarket</b>	Clearstream Banking S.A. Euroclear Bank SA/NV	<b>Malta</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Frankfurt am Main branch
<b>Finland</b>	Skandinaviska Enskilda Banken AB (Publ)	<b>Morocco</b>	Citibank Maghreb S.A.
<b>France</b>	BNP Paribas Securities Services S.C.A. The Bank of New York Mellon SA/NV	<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Ghana</b>	Stanbic Bank Ghana Limited	<b>Mexico</b>	Banco S3 CACEIS México S.A. Institución de Banca Múltiple Banco Nacional de México S.A., Integrante del Grupo Financiero Banamex
<b>Greece</b>	Citibank Europe Plc, Greece Branch	<b>Namibia</b>	Standard Bank Namibia Limited
<b>United Kingdom</b>	Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch The Bank of New York Mellon	<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Hong Kong</b>	Citibank N.A. Hong Kong The Hongkong and Shanghai Banking Corporation Limited	<b>Netherlands</b>	The Bank of New York Mellon SA/NV
<b>India</b>	Deutsche Bank AG The Hongkong and Shanghai Banking Corporation Limited	<b>Nigeria</b>	Stanbic IBTC Bank Plc.
<b>Indonesia</b>	Deutsche Bank AG	<b>Norway</b>	Skandinaviska Enskilda Banken AB (Publ)
<b>Ireland</b>	The Bank of New York Mellon	<b>Oman</b>	Standard Chartered Bank
<b>Iceland</b>	Landsbankinn hf.	<b>Austria</b>	UniCredit Bank Austria AG
<b>Israel</b>	Bank Hapoalim B.M.	<b>Pakistan</b>	Deutsche Bank AG
<b>Italy</b>	The Bank of New York Mellon SA/NV	<b>Panama</b>	Citibank N.A., Panama Branch

Country/market	Sub-custodian	Country/market	Sub-custodian
<b>Peru</b>	Citibank del Peru S.A.	<b>South Korea</b>	Deutsche Bank AG The Hongkong and Shanghai Banking Corporation Limited
<b>Philippines</b>	Standard Chartered Bank Philippines Branch	<b>Taiwan</b>	HSBC Bank (Taiwan) Limited
<b>Poland</b>	Bank Polska Kasa Opieki S.A.	<b>Tanzania</b>	Stanbic Bank Tanzania Limited
<b>Portugal</b>	Citibank Europe Plc	<b>Thailand</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Romania</b>	Citibank Europe plc Dublin, Romania Branch	<b>Czech Republic</b>	Citibank Europe plc, organizační složka
<b>Russia</b>	AO Citibank PJSC ROSBANK	<b>Tunisia</b>	Union Internationale de Banques
<b>Zambia</b>	Stanbic Bank Zambia Limited	<b>Turkey</b>	Deutsche Bank A.S.
<b>Saudi Arabia</b>	HSBC Saudi Arabia	<b>Uganda</b>	Stanbic Bank Uganda Limited
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (Publ)	<b>Ukraine</b>	JSC "Citibank"
<b>Switzerland</b>	Credit Suisse (Switzerland) Ltd. UBS Switzerland AG	<b>Hungary</b>	Citibank Europe plc, Hungarian Branch Office
<b>Serbia</b>	UniCredit Bank Serbia JSC	<b>Uruguay</b>	Banco Itaú Uruguay S.A.
<b>Zimbabwe</b>	Stanbic Bank Zimbabwe Limited	<b>United Arab Emirates</b>	HSBC Bank Middle East Limited (HBME)
<b>Singapore</b>	DBS Bank Ltd Standard Chartered Bank (Singapore) Limited	<b>United States of America</b>	The Bank of New York Mellon
<b>Slovak Republic</b>	Citibank Europe plc, pobočka zahraničnej banky	<b>United States of America, Precious Metals</b>	HSBC Bank, USA, N.A.
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	<b>Vietnam</b>	HSBC Bank (Vietnam) Ltd
<b>Spain</b>	Banco Bilbao Vizcaya Argentaria, S.A. CACEIS Bank Spain, S.A.U.	<b>WAEMU*</b>	Société Générale Côte d'Ivoire
<b>Sri Lanka</b>	The Hongkong and Shanghai Banking Corporation Limited	<b>Cyprus</b>	Citibank Europe Plc, Greece Branch
<b>South Africa</b>	Standard Chartered Bank, Johannesburg Branch The Standard Bank of South Africa Limited		

\*West African Economic and Monetary Union

# TERMS OF INVESTMENT OF THE FUND

## General Terms of Investment

**governing the legal relationship between the investors and ODDO BHF Asset Management GmbH, Düsseldorf (the “Company”) with respect to the funds managed by the Company in conformity with the UCITS Directive, which take the form of VNAV money market funds in accordance with EU Regulation 2017/1131. The General Terms of Investment are applicable solely in conjunction with the Specific Terms of Investment drawn up for each individual UCITS fund.**

### SECTION 1 Basic information

1. The Company is a UCITS management company and is subject to the regulations of the German Investment Code (Kapitalanlagegesetzbuch – the “Investment Code”).
2. The Company invests the money invested with it in its own name for the common account of the investors in assets permitted under EU Regulation 2017/1131 on money market funds (the “EU Regulation”) in accordance with the principle of risk spreading. Such investments are made in the form of a UCITS fund held separately from the Company’s own assets. The object of the UCITS fund is limited to making capital investments using the monies invested in it in accordance with a defined investment strategy, such investments being managed on a collective basis; it may not conduct an operating business or undertake the active entrepreneurial management of the assets held. The UCITS fund takes the form of a variable net asset value money market fund (“VNAV money market fund”).
3. The legal relationship between the Company and the investor is determined by the General Terms of Investment and Specific Terms of Investment of the UCITS fund and by the Investment Code.

### SECTION 2 Depositary

1. The Company appoints a credit institution as Depositary for the UCITS fund; the Depositary acts independently of the Company and in the sole interests of the investors.
2. The tasks and duties of the Depositary are determined by the depositary agreement made with the Company, the Investment Code and the Terms of Investment.
3. The Depositary may delegate custodial tasks to another enterprise (a “sub-custodian”) in accordance with section 73 of the Investment Code. Further information can be found in the Prospectus.
4. The Depositary shall be liable to the UCITS fund or the investors for any loss of a financial instrument in custody within the meaning of section 72(1) no. 1 of the Investment Code by the Depositary or by a sub-custodian to whom the custody of financial instruments has been transferred in accordance with section 73(1) of the Investment Code. The Depositary shall not be liable if it can show that the loss is attributable to outside events of which the consequences were unavoidable in spite of all appropriate countermeasures. This does not affect more extensive claims arising under civil law on the basis of contracts or wrongful acts. The Depositary shall also be liable to the UCITS fund or the investors for all other losses they incur as a result of a negligent or wilful failure by the Depositary to fulfil its obligations under the Investment Code. The liability of the Depositary shall not be affected by any transfer of custodial duties pursuant to sub-section 3, sentence 1.

### SECTION 3 Fund management

1. The Company acquires and manages the assets in its own name for the common account of the investors with due knowledge, probity, care and conscientiousness. In performing its tasks, it acts independently of the Depositary and exclusively in the interests of the investors.
2. The Company is entitled to acquire the assets with the money deposited by the investors and to resell those assets and reinvest the proceeds elsewhere; it is further empowered to accomplish all other legal acts proceeding from the management of the assets.
3. The Company may neither grant loans nor borrow, nor assume obligations under a pledge or guarantee contract for the common account of the investors; it may not sell assets under Articles 10, 11 and 16 of the EU Regulation that do not belong to the UCITS fund at the time the transaction is entered into. Article 13 of the EU Regulation remains unaffected. The Company may not invest in equities or commodities – either directly or indirectly, for instance through derivatives or indices – lend or borrow assets or otherwise enter into any transactions that would encumber the assets of the UCITS fund.

## SECTION 4 Investment principles

The UCITS fund shall be invested directly or indirectly in accordance with the principle of risk-spreading. The Company shall only acquire assets for the UCITS fund that are expected to produce income and/or capital growth and/or capital preservation. It shall specify which assets may be acquired for the UCITS fund in the Specific Terms of Investment.

## SECTION 5 Money market instruments

1. Except insofar as different provisions are laid down in the Specific Terms of Investment, the Company may acquire for the account of the UCITS fund instruments that are customarily traded on the money markets, provided that they have a legal maturity of no more than 397 days on issuance or have a residual maturity of no more than 397 days at the time of acquisition for the UCITS fund ("money market instruments").

Money market instruments may only be acquired for the UCITS fund if they

- a) are admitted to an exchange in a Member State of the European Union or another signatory state to the Agreement on the European Economic Area, or are admitted to or included in an organised market in such a state,
- b) are exclusively admitted to trading on an exchange outside the Member States of the European Union and the signatory states to the Agreement on the European Economic Area, or admitted to or included in another organised market outside those states, provided that the choice of that exchange or organised market is approved by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht – "BaFin"),<sup>7</sup>
- c) are issued or guaranteed by the European Union, the German Federal Government, a special fund (Sondervermögen) of the German Federal Government, a German Federal State, another Member State or another governmental, regional or local authority or the central bank of an EU Member State, by the European Central Bank or European Investment Bank, by a third country or, in the case of a country that is a federation, a member of the federation, or by an international public institution to which at least one EU Member State belongs,
- d) are issued by a company whose securities are traded on the regulated markets referred to in a) and b) above, or
- e) are issued or guaranteed by a credit institution subject to prudential supervision pursuant to the criteria laid down in European Union law, or by a credit institution subject to and complying with prudential rules considered by BaFin as equivalent to those laid down in European Union law,
- f) are issued by other issuers meeting the requirements of section 194(1) sentence 1 no. 6 of the Investment Code.

2. Money market instruments within the meaning of paragraph 1 may only be acquired if they themselves and their issuer have received a positive assessment in the internal analysis of credit quality. This does not apply to money market instruments that were issued or guaranteed by the European Union, a central government authority or the central bank of an EU Member State or another signatory state to the Agreement on the European Economic Area, the European Central Bank, the European Investment Bank, the European Stability Mechanism or the European Financial Stability Facility.

## Section 6 Securitisations and ABCPs

1. The Company may invest in securitisations and asset-backed commercial paper (ABCPs) for the account of the UCITS fund if they are sufficiently liquid, have received a positive assessment in the internal analysis of credit quality and fall under one of the following categories:

- a) level 2B securitisation within the meaning of Article 13 of Commission Delegated Regulation (EU) 2015/61,
- b) an ABCP issued by an ABCP programme with the following features:
  - i) it is fully backed by a regulated credit institution, which covers all liquidity and credit risks and all significant dilution risks as well as the ongoing transaction costs and the ongoing programme-wide costs associated with the ABCP, where necessary to guarantee full payment to investors of all amounts under the ABCP;
  - ii) it is not a resecuritisation and the exposures underlying the securitisations do not include any securitisation positions at the level of the ABCP transactions;

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<sup>7</sup> The list of approved exchanges and other organised markets pursuant to section 193(1) no. 2 and 4 of the Investment Code is published on BaFin's website (<http://www.bafin.de>)

iii) it is not a securitisation whereby the transfer of risk is achieved by credit derivatives or guarantees and the securitised exposures remain with the originating credit institution (“synthetic securitisation”);

c) a simple, transparent and standardised securitisation (“STS securitisation”) which meets the criteria and conditions of Article 20 to 22 of Regulation (EU) 2017/2402, or an STS ABCP which meets the requirements of Article 24 to 26 of this Regulation.

2. The Specific Terms of Investment lay down further requirements for investments in securitisations and ABCPs.

### SECTION 7 Assessing credit quality

1. The Company uses a careful internal process to determine the credit quality of money market instruments, securitisations and ABCPs, including the issuer and the individual instrument features. It ensures that the information used to assess the credit quality is of sufficiently high quality and is up to date and comes from reliable sources.

2. The internal process for assessing credit quality accords with the following general principles:

a) it provides for an effective procedure in order to obtain meaningful information about the issuer and about the features of the instrument and to keep it up to date;

b) it ensures, through appropriate measures, that the available relevant information is analysed in detail and all relevant factors influencing the creditworthiness of the issuer and the credit quality of the instrument are taken into account;

c) it is continuously monitored and all credit quality assessments are reviewed at least once a year;

d) it ensures a re-assessment of credit quality if a significant change in the credit rating of money market instruments, securitisations and ABCPs could have an impact on the existing assessment of the individual instrument but without mechanistic reliance or over-reliance on credit ratings as per Article 5a of Regulation (EC) No 1060/2009;

e) it relies on careful, systematic and consistent assessment methods, which are validated on the basis of historical experience and empirical evidence, including back-testing. The assessment methods are reviewed at least once a year to check whether they are appropriate for the current portfolio and the external circumstances. Any errors in the methods or their application are immediately rectified;

f) if there is any change in the methods or models used or underlying assumptions for the internal process, all internal assessments of credit quality affected by the change are reviewed as soon as possible.

### Section 8 Bank deposits

The Company may hold bank deposits for the account of the UCITS fund with a term of up to 12 months. The deposits may be held in the form of sight deposits or demand deposits at a credit institution with its registered office in a Member State of the European Union or another signatory state to the Agreement on the European Economic Area; the deposits may also be held at a credit institution with its registered office in a third country whose prudential rules are considered by BaFin as equivalent to those laid down in European Union law. Unless otherwise provided for in the Specific Terms of Investment, bank deposits may be held in foreign currencies.

### Section 9 Units in other money market funds

Unless otherwise provided for in the Specific Terms of Investment, the Company may acquire units in other money market funds that are permitted under the EU Regulation (“units of other money market funds”) for the account of the UCITS fund, provided that the following requirements are met:

a) under the terms of investment or articles of association of the money market fund in which the investment is planned, a total of no more than 10% of its assets may be invested in units of other money market funds;

b) the money market fund in which the investment is planned does not hold any units of the UCITS fund.

### Section 10 Derivatives

1. Unless otherwise provided for in the Specific Terms of Investment, the Company may employ financial derivatives in the course of managing the UCITS fund under the following premises:

a) the underlyings of the derivative are interest rates, exchange rates, currencies or indices tracking the aforementioned underlyings;

b) the sole purpose of the derivative is to hedge the interest rate or foreign exchange risks associated with other investments made by the UCITS fund;

c) the derivative is traded over the counter or, alternatively:

i) is admitted to an exchange in a Member State of the European Union or another signatory state to the Agreement on the European Economic Area, or is admitted to or included in an organised market in such a state,

ii) is exclusively admitted to trading on an exchange outside the Member States of the European Union and the signatory states to the Agreement on the European Economic Area, or is admitted to or included in another organised market outside those states, provided that the choice of that exchange or organised market is approved by BaFin<sup>8</sup>.

The Company may only invest in OTC derivatives that are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value. The counterparties to OTC derivatives transactions must be institutions subject to prudential supervision and belong to categories approved by BaFin.

2. In order to determine – in line with the nature and scope of the derivatives and financial instruments with derivative components employed, and in accordance with section 197(2) of the Investment Code – the extent to which the market risk limit for the use of derivatives and financial instruments with derivative components has been reached, the Company may use either the simple or the qualified approach as defined in the German Regulation on Risk Management and Risk Measurement in the Use of Derivatives, Securities Loans and Repurchase Agreements in Investment Funds in Accordance with the Investment Code (Derivateverordnung – the “Derivatives Regulation”) issued in relation to section 197(3) of the Investment Code; specific details are laid down in the Prospectus.

3. If the Company uses the simple approach, it may usually only use basic forms of derivatives and financial instruments with derivative components or combinations of these derivatives, financial instruments with derivative components and underlying assets permitted under Article 13(a) of the EU Regulation in the UCITS fund. Complex derivatives with underlying assets permitted under Article 13(a) of the EU Regulation may only be employed to a negligible degree. The weighted amount of the UCITS fund’s market risk exposure as per section 16 of the Derivatives Regulation may not exceed the value of the fund at any time.

Permitted basic forms of derivatives are:

a) forward or futures contracts on underlying assets as per Article 13(a) of the EU Regulation;

b) options or warrants on underlying assets as per Article 13(a) of the EU Regulation and on forward or futures contracts as per a), where they have the following features:

aa) exercise is possible either throughout the term or at the end of the term, and

bb) the option value at the time of exercise exhibits a linear dependency on the positive or negative difference between the strike price and the market price of the underlying asset and is zero if the difference has the opposite sign;

c) interest rate swaps, currency swaps and cross-currency swaps;

d) options on swaps as per c), provided that they exhibit the features described in b) under aa) and bb) (swaptions).

4. If the Company uses the qualified approach, it may – provided that there is a suitable risk management system – invest in any financial instruments with derivative components or derivatives that are derived from an underlying asset permitted under Article 13(a) of the EU Regulation.

In this case, the potential market risk exposure attributable to the UCITS fund (“exposure”) may not exceed twice the potential market risk exposure for the associated reference asset as per section 9 of the Derivatives Regulation. Alternatively, the amount at risk may not exceed 20% of the value of the UCITS fund at any time.

5. In such transactions, the Company may not under any circumstances deviate from the investment principles and limits laid down in the Terms of Investment or the Prospectus.

6. In accordance with section 6 sentence 3 of the Derivatives Regulation, the Company may switch between the simple and the qualified approach at any time when determining the market risk limit for the use of derivatives and financial instruments with derivative components. Such a switch does not require authorisation from BaFin; however, the Company must promptly notify BaFin of the switch and announce it in the next half-yearly or annual report.

7. The Company shall have regard to the Derivatives Regulation when employing derivatives and financial instruments with derivative components.

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<sup>8</sup> see previous footnote

## Section 11 Issuer limits and investment limits

1. In its management activities, the Company shall have regard to the limits and restrictions laid down in the EU Regulation, the Derivatives Regulation and the Terms of Investment.
2. Money market instruments, securitisations and ABCPs, including the assets bought under repurchase agreements from the same issuer, may be acquired up to a limit of 5% of the value of the UCITS fund; however, up to 10% of the value of the UCITS fund may be invested in such assets if this is provided for in the Specific Terms of Investment and the total value of the money market instruments, securitisations and ABCPs of such issuers in which more than 5% of the value of the UCITS fund is invested does not exceed a total of 40% of the value of the UCITS fund. The issuers of securities and money market instruments are also to be taken into account within the limits set forth in sentence 1 if the securities and money market instruments issued by such issuers are acquired indirectly through other securities included in the UCITS which are linked to their performance. Up to 31 December 2018, the Company invested, for the account of the UCITS fund, no more than 15% of its value in securitisations and ABCPs. As of 1 January 2019, the Company may invest up to 20% of the value of the UCITS fund in securitisations and ABCPs; however, up to 15% of the value of the UCITS fund may be invested in securitisations and ABCPs that do not meet the criteria for STS securitisations and STS ABCPs within the meaning of section 6(1)(c).
3. The Company may invest in bonds issued by the same credit institution domiciled in a Member State of the European Union or in another signatory state to the Agreement on the European Economic Area up to a limit of 10% of the value of the UCITS fund, provided that the credit institution is subject to specific public-sector prudential supervision by virtue of a statutory requirement protecting the investors of such bonds. This is subject to the condition that the income from the issue of these bonds is invested in accordance with the statutory requirements in assets that sufficiently cover the ensuing liabilities throughout the lifetime of the bond and rank primarily for the repayment of the capital due and the payment of accrued interest in the event of the issuer's default. If the Company invests more than 5% of the value of the UCITS fund in bonds issued by the same issuer as per sentence 1, the total amount of such bonds may not exceed 40% of the value of the UCITS fund.
4. The Company may invest in bonds issued by the same credit institution up to a limit of 20% of the value of the UCITS fund in each case, provided that they are covered bonds of extremely high quality within the meaning of Article 10(1)(f) or Article 11(1)(c) of Delegated Regulation (EU) 2015/61 and if the conditions of paragraph 3 sentence 2 are met. If the Company invests more than 5% of the value of the UCITS fund in bonds issued by the same issuer as per sentence 1, the total amount of such investments, including any investments in assets pursuant to paragraph 3 sentence 2, taking into account the caps set therein, may not exceed 60% of the value of the UCITS fund.
5. The limit in paragraph 2 may be exceeded in relation to money market instruments issued by the same issuer in accordance with Article 17(7) of the EU Regulation where this is provided for in the Specific Terms of Investment and the relevant issuers are explicitly named. In such a case, the money market instruments held for account of the UCITS fund must come from at least six different issues of the issuer in question and no more than 30% of the value of the UCITS fund may be held in a single issue.
6. The Company may not invest more than 10% of the value of the UCITS fund in bank deposits at any one credit institution.
7. The Company may only invest up to 17.5% of the value of the UCITS fund in units of other money market funds and no more than 5% of the value of the UCITS fund may be invested in units of a single money market fund.
8. The attributable amount for counterparty risk based on OTC derivatives transactions entered into with a counterparty may, in aggregate, not exceed 5% of the value of the UCITS fund.
9. The Company must ensure that a combination of
  - a) money market instruments, securitisations and ABCPs issued by a single institution,
  - b) deposits with the same institution and
  - c) attributable amounts for the counterparty risk of OTC derivative transactions entered into with that institution,does not exceed 15% of the value of the UCITS fund.
10. Companies obliged to prepare consolidated financial statements in accordance with Directive 2013/34/EU or which are included in the group in accordance with the generally accepted international accounting standards are regarded as a single entity when calculating the investment caps pursuant to paragraphs 2 and 6 to 8.
11. The Company may not hold more than 10% of the money market instruments, securitisations and ABCPs of a single entity for the account of the UCITS fund. This does not apply to assets issued or guaranteed by the entities specified in Article 18(2) of the EU Regulation.

## Section 12 Merger

1. Pursuant to sections 181 to 191 of the Investment Code, the Company may:
  - a) transfer all assets and liabilities of this UCITS fund to another existing UCITS fund, a new UCITS fund to be established by way of the transfer, an EU UCITS or a UCITS variable-capital investment company;
  - b) absorb all assets and liabilities of another open-ended retail investment fund into this UCITS fund.
2. The merger shall require authorisation by the responsible supervision body. The details of the procedure can be found in sections 182 to 191 of the Investment Code.
3. The UCITS fund may only be merged with a retail investment fund that is not a UCITS if the absorbing or newly established fund remains a UCITS. The merger of an EU UCITS into the UCITS fund may also be carried out in accordance with Article 2(1)(p)(iii) of Directive 2009/65/EC.

## Section 13 Repurchase transactions

The Company may enter into repurchase transactions terminable on notice of no more than two working days for the account of the UCITS fund, provided that all the following requirements are met:

- a) The repurchase transaction is entered into temporarily for a period of no longer than seven working days, only for the purposes of liquidity management;
- b) The cash inflow from the repurchase transaction does not exceed 10% of the value of the UCITS fund and is exclusively held as deposits within the meaning of section 195 of the Investment Code or invested in assets within the meaning of Article 15(6) of the EU Regulation;
- c) The counterparty who is the recipient of the assets transferred from the money market fund under the repurchase agreement may not sell, invest, pledge or otherwise transfer these assets without the prior approval of the Company.

## Section 14 Reverse repurchase transactions

1. The Company may enter into reverse repurchase transactions terminable on notice of no more than two working days for the account of the UCITS fund, provided that all the following requirements are met:
  - a) The assets that the Company buys under the reverse repurchase agreement for the account of the UCITS fund are money market instruments within the meaning of section 5;
  - b) The assets that the Company buys under the reverse repurchase agreement for the account of the UCITS fund are not sold, reinvested, pledged or otherwise transferred;
  - c) The market value of the assets bought under the reverse repurchase agreement is at all times at least equal to the value of the cash paid out.

The Company must ensure that it can source the entire cash at all times either on a pro-rata temporis basis or on a mark-to-market basis.

2. Notwithstanding paragraph 1(a), the Company may buy transferable securities and money market instruments other than those mentioned in section 5 under a reverse repurchase agreement for the account of the UCITS fund if the Company has made a positive assessment of the credit quality of such assets in accordance with the statutory methods and they meet one of the following conditions:

- a) they are issued or guaranteed by the EU, a central government authority or the central bank of an EU Member State or another signatory state to the Agreement on the European Economic Area, the European Central Bank, the European Investment Bank, the European Financial Stability Facility or the European Stability Mechanism,
- b) they are issued or guaranteed by a central government authority or the central bank of a third country.

The assets bought under a reverse repurchase agreement pursuant to this paragraph must be liquid within the meaning of Article 2 of Commission Delegated Regulation (EU) 2018/990 of 10 April 2018 and meet the requirements of section 10(5).

3. The Company may not buy securitisations and ABCPs under a reverse repurchase agreement for the account of the UCITS fund.

4. The assets that the Company buys under reverse repurchase agreements for the account of the UCITS fund must be sufficiently diversified and be issued by an entity that is independent from the counterparty of the reverse repurchase agreement and is anticipated not to exhibit a high correlation with the counterparty's performance. Assets issued by the same issuer may account for no more than 15% of the value of the UCITS fund, unless they are assets within the meaning of section 11(5).

5. The total cash that the Company pays on reverse repurchase transactions of the same counterparty for the account of the UCITS fund must not exceed 15% of the value of the UCITS fund.

### Section 15 Units

1. UCITS fund units are made out to the bearer and are certificated in the form of unit certificates or issued as electronic unit certificates.

2. Certificated unit certificates are certificated in the form of a global certificate; the issue of individual certificates is excluded. On purchase of a UCITS fund unit the investor acquires a co-ownership share of the global certificate. Units are transferable, unless otherwise specified in the Specific Terms of Investment.

3. Units may have varying features, particularly in terms of the income distribution policy, the entry charge, the exit charge, the currency of the unit value, the management fee, minimum investment amount or a combination of these features ("unit classes"). The details are laid down in the Specific Terms of Investment.

### Section 16 Issue and redemption of units, restriction and suspension of redemptions

1. The number of units that can be issued is in principle unlimited. The Company reserves the right to cease the issue of units either temporarily or permanently.

2. Units may be purchased from the Company, the Depositary or through the brokerage of third parties. The Specific Terms of Investment may provide that units may only be purchased and held by certain investors.

3. Investors can request the redemption of their units from the Company. Redemption terms may be set out in the Specific Terms of Investment. The Company is obliged to redeem the units at the applicable redemption price for the account of the UCITS fund. The redemption agent is the Depositary.

4. Unless otherwise stipulated in the Specific Terms of Investment, the Company reserves the right to restrict the redemption of units for up to 15 working days if the investors' redemption requests reach a threshold value above which the redemption requests can no longer be executed in the interest of all investors due to the UCITS fund's liquidity position. The threshold is specified in the Specific Terms of Investment. It describes the redemption request as a percentage of the net asset value of the fund.

In this case, the Company will only comply with the redemption request for each investor on a pro rata basis; otherwise, the redemption obligation ceases to be applicable. This means that each redemption order will only be carried out on a pro rata basis. The unfulfilled part of the order (remaining order) will not be executed by the Company at a later date either, but will be forfeited (pro rata approach with forfeiture of the outstanding remaining order).

Please refer to the Prospectus for further details on the procedure relating to restrictions on redemptions. The Company must publish information on the restrictions on redemptions and the lifting thereof on its website without delay.

5. The Company also reserves the right to suspend unit redemption in accordance with section 98(2) of the Investment Code in the event of exceptional circumstances in which it appears necessary to do so, having regard to the interests of the investors.

6. The Company will inform the investors of the suspension as per paragraph 5 and the resumption of redemptions by way of an announcement in the Bundesanzeiger (German Federal Gazette) and also in a financial or daily newspaper with a sufficiently wide circulation or in the electronic news media referred to in the Prospectus. Investors must be informed of the suspension and resumption of unit redemptions by means of a durable medium immediately after the announcement in the German Federal Gazette.

### Section 17 Issue and redemption prices

1. Unless otherwise provided for in the Special Terms of Investment, the market values of the assets belonging to the UCITS fund less the liabilities shall be determined for the purpose of determining the unit issue and redemption prices, the fair value of the assets belonging to the UCITS fund, less liabilities after marking to market or marking to model or both methods, (the "net asset value"), divided by the number of units in issue (the "unit value"). If different unit classes are introduced for the UCITS fund in accordance with section 15(3), the unit value and issue and redemption prices are determined separately for each class.

The assets are valued in accordance with Article 29(1) to (4) of the EU Regulation and sections 168 and 169 of the Investment Code and the German Investment Accounting and Valuation Regulation (Kapitalanlage-Rechnungslegungs- und -Bewertungsverordnung).

2. The issue price is equal to the unit value of the UCITS fund plus, where applicable, an entry charge as per section 165(2) no. 8 of the Investment Code, which is to be laid down in the Specific Terms of Investment. The redemption price is equal to the unit value of the UCITS fund less, where applicable, an exit charge as per section 165(2) no. 8 of the Investment Code, which is to be laid down in the Specific Terms of Investment.

3. The settlement date for unit subscriptions and redemption orders shall be, at the latest, the valuation day after the receipt of the unit subscription or redemption order, unless otherwise stated in the Specific Terms of Investment.

4. The unit value is calculated at least once a day and published in the public section of the Company's website. The issue and redemption prices are determined on each trading day. Unless otherwise stated in the Specific Terms of Investment, the Company and Depositary may refrain from determining a valuation on public holidays that are trading days and on 24 and 31 December each year; further details are laid down in the Prospectus.

### Section 18 Charges

The Specific Terms of Investment set out the expenses and fees payable to the Company, Depositary and third parties that may be charged to the UCITS fund. For fees within the meaning of sentence 1, the Specific Terms of Investment shall also state the payment method, amount and basis of calculation.

### Section 19 Accounting

1. The Company shall issue an annual report, including a statement of income and expenditure, in accordance with section 101(1), (2) and (4) of the Investment Code no later than four months after the end of the financial year of the UCITS fund.

2. The Company shall issue a half-yearly report in accordance with section 103 of the Investment Code no later than two months after the midpoint of the financial year.

3. If the right to manage the UCITS fund is transferred during the financial year to another investment management company or the UCITS fund merges during the financial year into another UCITS fund, a UCITS variable-capital investment company or an EU UCITS, the Company shall draw up an interim report as at the transfer date that meets the requirements for an annual report as per paragraph 1.

4. If the UCITS fund is wound up, the Depositary shall draw up a winding-up report once a year and as at the completion date of the winding-up; said report shall meet the requirements for an annual report as per paragraph 1.

5. The reports shall be obtainable from the Company and the Depositary as well as from other sources to be named in the Prospectus and the Key Information Document; they shall also be announced in the German Federal Gazette.

### Section 20 Termination and winding-up of the UCITS fund

1. The Company may terminate its management of the UCITS fund subject to the provision of at least six months' notice, to be announced in the German Federal Gazette and also in the annual or half-yearly report. The investors shall be promptly informed via a durable medium that such notice has been given.

2. Once termination takes effect, the Company's right to manage the UCITS fund ceases. In such a case, the UCITS fund and the right of disposition over the fund shall pass to the Depositary, which shall wind it up and distribute it to the investors. During the winding-up period, the Depositary shall have a claim to remuneration for its winding-up activity and to the reimbursement of any expenses incurred that are necessary to the winding-up. With BaFin's approval, the Depositary may refrain from winding-up and distribution, and transfer the management of the UCITS fund to another investment management company in accordance with the previous Terms of Investment.

3. The Company shall prepare a winding-up report as at the date on which its right of management ceases as per section 99 of the Investment Code; said report shall meet the requirements for an annual report as per section 20(1).

## Section 21 Change of investment management company and depositary

1. The Company may transfer the right to manage the UCITS fund and dispose over its assets to another investment management company. The transfer requires prior approval from BaFin.
2. The authorised transfer will be announced in the German Federal Gazette and in the annual or half-yearly report of the Fund as well as in the electronic information media designated in this Prospectus. The transfer shall take effect no earlier than three months after its announcement in the German Federal Gazette.
3. The Company may change the Depositary of the UCITS fund. The change requires the approval of BaFin.

## Section 22 Amendments to the Terms of Investment

1. The Company may amend the Terms of Investment.
2. Amendments to the Terms of Investment require prior approval from BaFin.
3. All intended amendments shall be announced in the German Federal Gazette and in a financial or daily newspaper with a sufficiently wide circulation or in the electronic news media referred to in the Prospectus. Any public notice as per sentence 1 must refer to the intended amendments and the date they take effect. In the event of amendments to charges within the meaning of section 162(2) no. 11 of the Investment Code that are detrimental to investors or amendments to material investor rights that are detrimental to investors, as well as in the event of amendments to the investment principles of the UCITS fund within the meaning of section 163(3) of the Investment Code, the essential content of the planned amendments to the investment terms and conditions and their background shall be sent to the investors in a comprehensible form by way of a durable data medium together with the announcement as per sentence 1. In the event of amendments to the previous investment principles, the investors must also be informed of their rights in accordance with section 163(3) of the Investment Code.
4. The amendments will take effect no earlier than the day after their announcement in the German Federal Gazette, or no earlier than four weeks after the announcement in the case of amendments to costs or the investment principles.

## SECTION 23 Place of performance

The place of performance is the Company's registered office.

## SECTION 24 Dispute resolution proceedings

The Company undertakes to participate in dispute resolution proceedings before a consumer arbitration body<sup>9</sup>. In the event of disputes, consumers may call upon the Investment Funds Ombudsman operated by the German Investment Funds Association (BVI Bundesverband Investment und Asset Management e.V.) as the competent consumer arbitration body. The Company participates in arbitration proceedings before this body<sup>10</sup>.

Its contact details are as follows: Büro Ombudsstelle des BVI Bundesverband für Investment und Asset Management e.V., Unter den Linden 42, 10117 Berlin, [www.ombudsstelle-investmentfonds.de](http://www.ombudsstelle-investmentfonds.de).

The European Commission has set up an online dispute resolution platform at [www.ec.europa.eu/consumers/odr](http://www.ec.europa.eu/consumers/odr)<sup>11</sup>. Consumers can use this platform for the out-of-court resolution of disputes arising from buying goods or services online. The Company's e-mail address is: [kundenservice@oddo-bhf.com](mailto:kundenservice@oddo-bhf.com).

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<sup>9</sup> Section 36(1) no. 1 of the Consumer's Dispute Settlement Act

<sup>10</sup> Section 36(1) no. 2 of the Consumer's Dispute Settlement Act

<sup>11</sup> Article 14 of Regulation (EU) No 524/2013

## Specific Terms of Investment

**governing the legal relationship between the investors and ODDO BHF Asset Management GmbH, Düsseldorf (the “Company”) with respect to ODDO BHF Money Market, a fund in conformity with the UCITS Directive established in the form of a standard VNAV money market fund and managed by the Company, applicable only in conjunction with the General Terms of Investment drawn up by the Company for this Fund.**

### INVESTMENT PRINCIPLES AND INVESTMENT LIMITS

#### SECTION 1 Assets

The Company may acquire the following assets for the UCITS Fund:

1. Money market instruments as per section 5 of the General Terms of Investment.

Notwithstanding section 5(1) of the General Terms of Investment, money market instruments with a residual maturity until the legal redemption date of up to two years, provided that the time until the next interest reset date is no more than 397 days within the meaning of Article 10(2) of the EU Regulation<sup>12</sup>, may also be acquired for the UCITS Fund.

2. Bank deposits as per section 8 of the General Terms of Investment.

3. Units of other money market funds as per section 9 of the General Terms of Investment.

4. Derivatives as per section 10 of the General Terms of Investment.

5. It may not acquire securitisations and ABCPs as per section 6 of the General Terms of Investment.

#### Section 1a Repurchase transactions and reverse repurchase transactions

There is no restriction on entering into repurchase transactions and reverse repurchase transactions as per sections 13 and 14 of the General Terms of Investment.

#### Section 2 Investment limits

1. The weighted average fixed-interest period of assets held for the account of the UCITS Fund may not exceed six months at any time.

2. The weighted average residual maturity of assets held for the account of the UCITS Fund may not exceed twelve months at any time. Article 25(1)(2) and (3) of the EU Regulation apply in relation to calculation of the weighted average residual maturity.

3. At least 7.5% of the assets of the UCITS Fund must consist of daily maturing assets, reverse repurchase transactions that can be terminated on one working day's notice or cash deposits that can be withdrawn on one working day's notice.

4. At least 15% of the assets of the UCITS fund must consist of weekly maturing assets, reverse repurchase transactions that can be terminated on five working days' notice or cash deposits that can be withdrawn on five working days' notice. Money market instruments or units in other money market funds may count towards the weekly maturing assets up to a limit of 7.5%, provided that they can be redeemed and settled within five working days.

5. Up to 100% of the value of the UCITS Fund may be invested in money market instruments. Money market instruments held under repurchase contracts are to be included in the total for the purposes of the investment limits as per Article 17 of the EU Regulation.

6. Money market instruments issued by the same issuer may be acquired in excess of the 5% limit up to a total of 10% of the value of the UCITS Fund, provided that the total value of money market instruments issued by such issuers does not exceed 40% of the value of the UCITS Fund. Section 11(4) of the General Terms of Investment and section 2(7) of the Specific Terms of Investment remain unaffected.

7. The Company may invest up to 100% of the value of the UCITS Fund in various money market instruments that are issued or guaranteed individually or jointly by one or more of the bodies, institutions or organisations.

<sup>12</sup> Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds.

8. Up to 100% of the value of the UCITS Fund may be held in bank deposits in accordance with section 8 sentence 1 of the General Terms of Investment. Notwithstanding section 8 sentence 3 of the General Terms of Investment, bank deposits may not be held in foreign currencies.

9. Less than 10% of the value of the UCITS Fund may be invested in units of other money market funds.

10. The units of other money market funds held under repurchase contracts are to be included in the total for the purposes of the investment limits as per Article 16(2) and (3) of the EU Regulation.

11. Derivatives or financial instruments with a derivative component with currencies as their underlying assets may not be acquired. This does not apply to the use of currency hedging transactions for foreign-currency unit classes.

### Section 3 Investment committee

The Company may take advice from an investment committee when selecting assets to be acquired or disposed of for the UCITS fund.

## UNIT CLASSES

### Section 4 Unit classes

1. Different unit classes within the meaning of section 15(3) of the General Terms of Investment may be formed for the UCITS Fund which may differ in terms of the income distribution policy, the entry charge, the currency of the unit value including the use of currency hedging transactions, the management fee, the depositary fee, the minimum investment amount or a combination of these features. Unit classes may be issued at any time at the Company's discretion.

2. Existing unit classes shall be listed individually both in the Prospectus and in the annual and half-yearly reports. The features defining each unit class (income distribution policy, entry charge, currency of the unit value, management fee, depositary fee, minimum investment amount or combination of these features) shall be described in the Prospectus and in the annual and half-yearly report.

3. It is permitted to enter into currency hedging transactions exclusively in favour of a single currency unit class. For currency unit classes with currency hedging in favour of the currency of this unit class (reference currency), the Company may, regardless of section 10 of the General Terms of Investment, use derivatives on exchange rates or currencies within the meaning of section 197(1) of the Investment Code for the purpose of avoiding losses of unit value due to foreign exchange losses on UCITS Fund assets that are not denominated in the reference currency of the unit class.

4. The unit value shall be calculated separately for each unit class, in the process of which the set-up costs of new unit classes, distributions of income (including any taxes to be paid from the Fund's assets), management fees and depositary fees and the results of currency hedging transactions relating to a particular unit class, including any income equalisation where relevant, shall be exclusively attributed to the unit class in question.

## UNITS, ISSUE PRICE, REDEMPTION PRICE, UNIT REDEMPTIONS, CHARGES

### Section 5 Units

Investors have a fractional co-ownership interest in the UCITS Fund's assets in proportion to the number of units they hold.

### Section 6 Issue and redemption price

1. No entry charge or exit charge is levied.

2. In variance to section 17(3) of the General Terms of Investment, the settlement date for unit subscriptions and redemption orders shall be no later than the next-but-one valuation day after the unit subscription or redemption order is received.

### Section 7 Charges

1. Fees payable to the Company are as follows:

a) management fee

The Company receives an annual fee for the UCITS Fund's management of up to 1.0% of the average value of the UCITS fund in the accounting period based on the net asset value as determined each valuation day. The management fee may be taken from the UCITS Fund at any time. The Company is free to charge a lower management fee for one or more unit classes. The Company shall state the management fee charged in the Prospectus and in the annual and half-yearly reports.

#### b) repurchase transactions

Where the Company initiates, arranges and executes repurchase agreements for account of the UCITS Fund, the Company receives a customary market fee of up to one third of the gross income from these transactions. Costs arising in connection with the preparation and execution of such transactions, including fees payable to third parties, are borne by the Company.

#### 2. Fees payable to third parties are as follows:

a) The Company pays an annual fee from the UCITS Fund for market risk and liquidity risk measurement as per the German Derivatives Regulation (Derivateverordnung) of no more than 0.1% of the average value of the UCITS Fund in the accounting period based on the net asset value as determined each valuation day.

b) The Company pays an annual fee from the UCITS Fund for the employment of a collateral manager ("collateral manager fee") of up to 0.2% of the average value of the UCITS Fund in the accounting period based on the net asset value as determined each valuation day. The Company is entitled to charge monthly pro rata advances on this amount. The Company is free to charge a lower fee or no fee at all.

#### 3. Depositary fee

The Depositary receives an annual fee from the UCITS Fund for its services of up to 0.1% of the average value of the UCITS Fund in the accounting period based on the net asset value as determined each valuation day, subject to a minimum of EUR 5,000 p.a. The depositary fee may be withdrawn from the UCITS Fund at any time. The Depositary is free to charge a lower fee for one or more unit classes. The Company shall state the depositary fee charged in the Prospectus and in the annual and half-yearly reports.

#### 4. Annual maximum amount permitted as per paragraphs 1(a), 2, 3 and 5(l)

The total amount withdrawn annually from the UCITS Fund pursuant to paragraphs 1(a), 2 and 3 by way of fees and pursuant to paragraph 5(l) for reimbursement of expenses may be up to 1.5% of the average value of the UCITS Fund in the accounting period based on the net asset value as determined each valuation day.

#### 5. Expenses

In addition to the above fees, the following expenses are borne by the UCITS Fund:

- a) normal bank charges for custody accounts and bank accounts, including where relevant normal bank charges for the custody of foreign assets abroad;
- b) the costs of printing and distributing the legally prescribed marketing documents intended for investors (annual and half-yearly reports, prospectuses, Key Information Documents);
- c) the costs of publicising the annual and half-yearly reports, the issue and redemption prices and, where applicable, any distributions or income reinvestments and the winding-up report;
- d) the costs of the audit of the UCITS Fund performed by the UCITS Fund's auditor;
- e) the costs of the assertion and enforcement by the Company of legal claims for the account of the UCITS Fund and of defence by the Company against claims made against the Company to the detriment of the UCITS Fund;
- f) fees and charges levied by government bodies in relation to the UCITS Fund;
- g) the costs of legal and tax advice with regard to the UCITS Fund;
- h) costs and any fees that may be incurred in connection with the acquisition and/or use or setting of a benchmark or benchmark index;
- i) the costs of appointing proxy voters;
- j) costs for the analysis by third parties of the UCITS Fund's investment performance;
- k) the costs of creating and using a durable medium, except in the case of notices about mergers of investment funds or notices about measures in connection with breaches of investment limits or calculation errors in the determination of unit values;
- l) the costs of the provision by third parties of analysis material or services in relation to one or more financial instruments or other assets or in relation to the issuers or potential issuers of financial instruments or in close connection with a particular industry or

market, up to an amount of 0.01% p.a. of the average value of the UCITS Fund in the accounting period based on the net asset value as determined each valuation day;

m) taxes incurred in connection with the fees payable to the Company, the Depositary and third parties, in connection with the above expenses and in connection with management and custody.

n) the costs of publicising the basis of assessment and the notice that the tax information was determined in accordance with the provisions of German tax law.

#### 6. Transaction costs

In addition to the fees and expenses above, costs arising in connection with the acquisition and disposal of assets are charged to the UCITS Fund.

#### 7. Acquisition of investment fund units

The Company must disclose in the annual and half-yearly report the entry charge and exit charge amounts that were charged to the investment fund in the period under review for the subscription and redemption of units within the meaning of section 1(3). For the acquisition of units managed directly or indirectly by the Company itself or another company with which the Company is associated by way of a substantial direct or indirect holding, the Company or the other company may not charge any entry or exit charges for subscription and redemption. The Company must disclose in the annual and half-yearly report the fee that was charged to the investment fund by the Company itself, by another (investment) management company or another company with which the Company is associated by way of a substantial direct or indirect holding for managing the units held in the investment fund.

## INCOME DISTRIBUTION POLICY AND FINANCIAL YEAR

### Section 8 Income distribution policy

#### Distribution

1. For unit classes which distribute their income, the Company generally distributes all pro rata interest and other income earned for the account of the UCITS Fund during the financial year, minus expenses and taking account of the income equalisation process. Realised gains on disposals may also be distributed on a pro rata basis, taking account of the income equalisation process.
2. Distributable pro rata income as per paragraph 1 may be carried forward for distribution in later financial years, provided that the total income carried forward does not exceed 15% of the value of the UCITS Fund at the end of the financial year. Income from short accounting periods may be carried forward in full.
3. Pro rata income may be partially carried forward, and in exceptional circumstances carried forward in full, for reinvestment in the UCITS Fund in the interests of preserving capital.
4. Distributions are made annually within four months of the end of the financial year.
5. Interim distributions are permitted.

#### Reinvestment

For unit classes which reinvest their income, the Company reinvests all interest and other income earned for the account of the UCITS Fund during the financial year, minus expenses and taking account of the income equalisation process, as well as all gains on disposal for the unit classes in question, allocating the reinvested income on a pro rata basis.

### Section 9 Financial year

The financial year of the UCITS Fund begins on 1 October and ends on 30 September of the following year.

### Section 10 Redemption terms and restrictions on redemptions

The Company may restrict the redemption of units if investors' redemption requests reach at least 15% of the net asset value (threshold).

## Annex

Pursuant to Article 17(7) sentence 1 of the EU Regulation it is permitted to invest in money market instruments from the following bodies, institutions and organisations up to a limit of 100% of the value of the UCITS Fund, provided that the Terms of Investment allow this.

### Federal Republic of Germany

#### The German federal states:

- Baden-Württemberg
- Bavaria
- Berlin
- Brandenburg
- Bremen
- Hamburg
- Hessen
- Mecklenburg-Western Pomerania
- Lower Saxony
- North Rhine-Westphalia
- Rhineland-Palatinate
- Saarland
- Saxony
- Saxony-Anhalt
- Schleswig-Holstein
- Thuringia

### European Union

#### As EU Member States:

- Belgium
- Denmark
- Finland
- France
- Luxembourg
- Netherlands
- Austria
- Sweden

As signatory states to the Agreement on the European Economic Area:

- Norway

As member states of the Organisation for Economic Co-Operation and Development (excluding EEA states):

- Switzerland

As an international organisation to which at least one EU Member State belongs:

- European Stability Mechanism (ESM)
- European Investment Bank (EIB)
- European Bank for Reconstruction and Development
- Council of Europe Development Bank
- International Bank for Reconstruction and Development

## **ODDO BHF Asset Management GmbH**

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40217 Düsseldorf  
Postal address:  
Postfach 105354, 40044 Düsseldorf

Tel.: +49 (0)211 23924-01

Frankfurt am Main branch  
Gallusanlage 8  
60329 Frankfurt am Main  
Postal address:  
Postfach 110761, 60042 Frankfurt am Main

Tel.: +49 (0)69 92050-0  
Fax: +49 (0)69 92050-103

Subscribed and paid-up capital:  
EUR 10.3 million

ODDO BHF Asset Management GmbH is 100%  
owned by ODDO BHF SE

Court of registration: Düsseldorf, HRB 11971



## **DEPOSITARY**

The Bank of New York Mellon SA/NV,  
Asset Servicing, Frankfurt am Main branch  
MesseTurm, Friedrich-Ebert-Anlage 49  
60327 Frankfurt am Main

Liable capital:  
EUR 3.2 billion

## **MANAGEMENT**

### **Nicolas Chaput**

CEO  
President of ODDO BHF Asset Management SAS

### **Dr. Stefan Steurer**

### **Philippe de Lobkowicz**

Also Chairman of the Board of Directors of ODDO BHF  
Asset Management Lux

## **SUPERVISORY BOARD**

### **Werner Taiber**

Chairman

Düsseldorf, Chairman of the Supervisory Board of ODDO  
BHF SE, Frankfurt am Main

### **Grégoire Charbit**

Paris, Director of ODDO BHF SE, Frankfurt am Main and of  
ODDO BHF SCA, Paris

### **Christophe Tadié**

Frankfurt am Main, Director of ODDO BHF SE, Frankfurt am  
Main and of ODDO BHF SCA, Paris, as well as CEO of ODDO  
BHF Corporates & Markets AG, Frankfurt am Main

### **Joachim Häger**

Friedrichsdorf, Director of ODDO BHF SE, Frankfurt am  
Main and of ODDO BHF SCA, Paris, as well as Chairman of  
the Board of Directors of ODDO BHF (Schweiz) AG, Zurich

### **Michel Haski**

Lutry, independent member of the Supervisory Board

### **Olivier Marchal**

Suresnes, Chairman of Bain & Company France, Paris and  
Chairman of the Supervisory Board of ODDO BHF SCA,  
Paris

### **Monika Vicandi**

Triesenberg, Director of ODDO BHF SE, Frankfurt am Main

# Environmental and/or social characteristics

Product name: ODDO BHF Money Market

Legal Entity Identifier (LEI): 529900TTV3XS9FEXY745

DOES THIS FINANCIAL PRODUCT HAVE A SUSTAINABLE INVESTMENT OBJECTIVE?

●● <input type="checkbox"/> Yes	●● <input checked="" type="checkbox"/> No
<p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective</b>: N/A</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective</b>: N/A</p>	<p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of N/A of sustainable investments.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input checked="" type="checkbox"/> It promotes E/S characteristics but <b>will not make any sustainable investments.</b></p>

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



## WHAT ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS ARE PROMOTED BY THIS FINANCIAL PRODUCT?

The fund promotes environmental and/or social characteristics. This is reflected in the construction and weighting of the portfolio on the basis of MSCI ESG Ratings, exclusions and monitoring of controversies.

### WHAT SUSTAINABILITY INDICATORS ARE USED TO MEASURE THE ATTAINMENT OF EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT?

The MSCI ESG rating model uses various features and indicators. The fund's monthly ESG report currently includes the following indicators that demonstrate that these have been achieved:

- The portfolio's weighted MSCI ESG rating to assess overall achievement of environmental, social and governance characteristics;
- The weighted MSCI score to assess the quality of corporate governance;
- The weighted MSCI score to assess human capital;

### WHAT ARE THE OBJECTIVES OF THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY INTENDS TO MAKE AND HOW DOES THE SUSTAINABLE INVESTMENT CONTRIBUTE TO SUCH OBJECTIVES?

It is not intended to make sustainable investments for the fund. However, the fund is subject to the ESG requirements described in this Annex.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## HOW DO THE SUSTAINABLE INVESTMENTS THAT THE FINANCIAL PRODUCT PARTIALLY INTENDS TO MAKE, NOT CAUSE SIGNIFICANT HARM TO ANY ENVIRONMENTAL OR SOCIAL SUSTAINABLE INVESTMENT OBJECTIVE?

It is not intended to make sustainable investments for the fund. However, the fund is subject to the ESG requirements described in this Annex.

## HOW HAVE THE INDICATORS FOR ADVERSE IMPACTS ON SUSTAINABILITY FACTORS BEEN TAKEN INTO ACCOUNT?

Regulation (EU) 2020/852 defines certain areas that may in principle have an adverse impact ("PAI"). The fund manager applies the pre-trade rules to three PAIs: Exposure to controversial weapons (PAI 14 and 0% tolerance), activities adversely impacting biodiversity-sensitive areas (PAI 7 and 0% tolerance) and serious violations of the principles of the UN Global Compact and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10 and 0% tolerance). MSCI ESG ratings also incorporate environmental, social and governance issues when the use of other PAI core data for companies and governments can support their ESG rating. For companies, ESG analysis includes, where data is available, monitoring of greenhouse gas emissions (PAI 1), lack of processes and compliance mechanisms to monitor compliance with the principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises (PAI 11), and gender diversity in management and supervisory bodies (PAI 13). For government issuers, GHG intensity per capita (PAI 15, usually based on GDP rather than per capita) and countries in which investments are made that are subject to social violations (PAI 16) are also taken into account. However, the fund manager does not set specific objectives or defined control rules for these other core PAIs apart from those mentioned in the first paragraph.

For more information about MSCI ESG Ratings visit <https://www.msci.com/zh/esg-ratings>

## HOW ARE THE SUSTAINABLE INVESTMENTS ALIGNED WITH THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES AND THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS? DETAILS:

It is not intended to make sustainable investments for the fund. However, the UN Global Compact (UNGC) exclusion list as described in the Company's exclusion policy is applied for the fund. Due to poor data quality, OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights are currently not considered directly. However, individual aspects from the aforementioned Guidelines and Guiding Principles are considered indirectly (via the ESG Ratings from MSCI ESG Research).

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

**The "do not significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.**

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## DOES THIS FINANCIAL PRODUCT CONSIDER PRINCIPAL ADVERSE IMPACTS ON SUSTAINABILITY FACTORS?

Yes, in accordance with the provisions of Article 8 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR), the fund manager takes sustainability risks into account by incorporating ESG (environmental, social and governance) criteria into the investment decision-making process. This process also makes it possible to assess the management team's ability to manage the negative impacts of their business activities on sustainability.

Information on the principal adverse impacts on sustainability factors is available in the Annual Report pursuant to Article 11(2) of the SFDR.

No



## WHAT INVESTMENT STRATEGY DOES THIS FINANCIAL PRODUCT FOLLOW?

The aim of investing in ODDO BHF Money Market is to obtain a steady increase in value in line with money market interest rates. ODDO BHF Money Market is a money market fund that actively invests in a mixture of money market instruments. The fund primarily invests in covered bonds (Pfandbriefe), variable or fixed-income debt securities, money market instruments and public issuer bonds (primarily from the European Union or a signatory state to the Agreement on the European Economic Area). The maximum weighted average maturity (WAM) of assets held for the fund is 90 days. As all investments are denominated in euro, there is no currency risk. Investments are selected according to the judgement of our capital markets experts, who focus specifically on high issuer credit quality. The assets held in the portfolio must have a minimum rating of at least AA- from a recognised rating agency or a similar rating upon acquisition. The issuer rating may also be used as a replacement. The fund does not enter into derivative transactions. The fund manager does not use a benchmark index, but actively selects countries and sectors based on the macroeconomic environment. An analysis is carried out on the credit rating of the most promising issuers for the portfolio. The fund manager incorporates sustainability risks into its investment process by taking into account both the ESG (environmental, social and governance) characteristics of its investment decisions and any significant negative impacts that its investment decisions may have on sustainability factors. The investment process is based on ESG integration, normative screening (including UN Global Compact, controversial weapons), sector exclusions and a best-in-class approach. At least 90% of the issuers in the portfolio have – taking into account the weighting of the individual financial instruments – an ESG rating. The Company observes the United Nations Principles for Responsible Investment (UN PRI) with respect to environmental, social, and governance issues, and applies them in its commitments by exercising voting rights, actively exercising shareholder and creditor rights, and by engaging in dialogue with issuers. Issuers that manufacture or distribute non-conventional weapons are excluded. In addition, issuers in the following sectors are excluded if they generate more than 5% of their revenue from the extraction of coal and crude oil or more than 5% from the cultivation and exploration of and services for oil sands and oil shale or more than 10% from power generation or other activities using fossil fuels (excluding gas). Issuers that exceed a certain revenue threshold in the sectors of coal (coal mining, power generation or development of new projects), conventional and non-conventional oil and gas in the Arctic (exploration, production and use) and tobacco production are also excluded. In order to conserve biodiversity, the company strives not to invest in companies that are active in the palm oil industry with unsustainable business practices, or whose activity has a negative impact on biodiversity and that do not have a clear and credible strategy for its conservation and protection. Companies that significantly violate the principles of the UN Global Compact are also excluded. Issuers with an MSCI ESG rating of “B” or “CCC” are excluded. The fund focuses on issuers with a strong sustainability performance. The aim is an average MSCI ESG rating of “A” or better for the fund portfolio.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

#### WHAT ARE THE BINDING ELEMENTS OF THE INVESTMENT STRATEGY USED TO SELECT INVESTMENTS TO ATTAIN EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THIS FINANCIAL PRODUCT?

The binding elements of the investment strategy ensure that investments correspond to the environmental and/or social characteristics promoted. The binding elements are:

- At least 90% of the issuers in the portfolio have – taking into account the weighting of the individual financial instruments – an ESG rating
- Sector exclusions and UN Global Compact
- Rating exclusions
- Average MSCI ESG rating of “A” or better for the fund portfolio
- Best-in-class approach

The criteria are checked by including various indicators from the external data provider MSCI ESG Research and this check is done as part of the investment process.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

#### WHAT IS THE COMMITTED MINIMUM RATE TO REDUCE THE SCOPE OF THE INVESTMENTS CONSIDERED PRIOR TO THE APPLICATION OF THAT INVESTMENT STRATEGY?

The investment strategy (ratings, exclusions, etc.) applied reduces the size of investments without specifying a minimum amount.

WHAT IS THE POLICY TO ASSESS GOOD GOVERNANCE PRACTICES OF THE INVESTEE COMPANIES?

The ODDO BHF Asset Management Global Responsible Investment Policy sets out our definition and assessment of good corporate governance and is published on the “am.oddo-bhf.com” website.



**Asset allocation** describes the share of investments in specific assets.

WHAT IS THE ASSET ALLOCATION PLANNED FOR THIS FINANCIAL PRODUCT?

The fund investments are based on a mix of money market instruments. The fund primarily invests in covered bonds (Pfandbriefe), variable or fixed-income debt securities, money market instruments and public issuer bonds (primarily from the European Union or a signatory state to the Agreement on the European Economic Area).

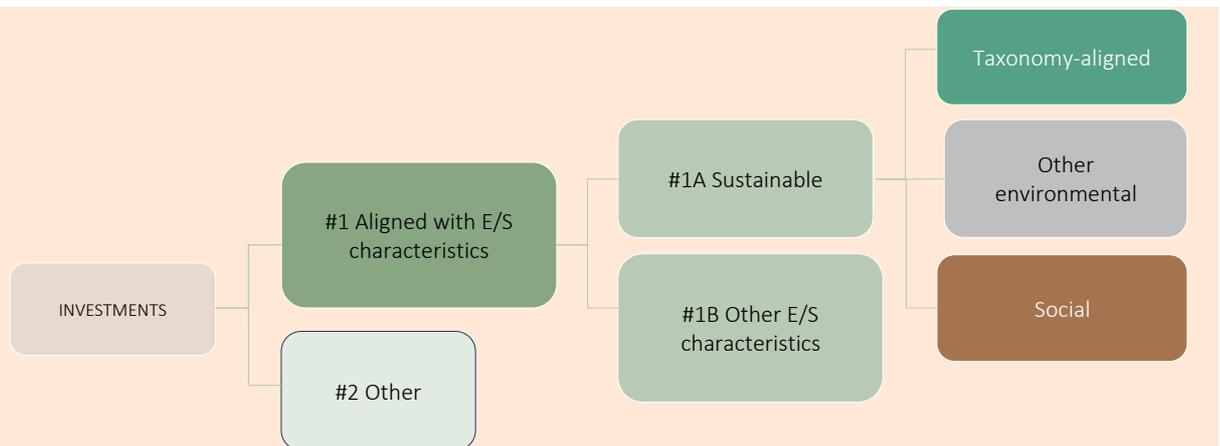
At least 75% of the fund’s net asset value is aligned with environmental and/or social characteristics.

The fund may also hold up to 25% of its net asset value in “Other”, as defined below, which includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

There is no minimum commitment for sustainable investments, for Taxonomy-aligned investments and other environmental or social investments. However, there may be investments that also have these characteristics. At least 90% of the issuers in the portfolio have – taking into account the weighting of the individual financial instruments – an ESG rating.

Taxonomy-aligned activities are expressed as a share of:

- turnover** reflecting the share of revenue from green activities of investee companies.
- capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- operational expenditure (OpEx)** reflecting green operational activities of investee companies.



**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.

The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

HOW DOES THE USE OF DERIVATIVES ATTAIN THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THE FINANCIAL PRODUCT?

No derivative transactions are entered into for the fund.



TO WHAT MINIMUM EXTENT ARE SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE ALIGNED WITH THE EU TAXONOMY?

ARE INVESTMENTS IN ACTIVITIES IN THE FIELD OF FOSSIL GAS AND/OR NUCLEAR<sup>1</sup> ENERGY WHICH ARE ALIGNED WITH THE EU TAXONOMY MADE BY THE FINANCIAL PRODUCT?

Yes

<sup>1</sup> Activities in the field of fossil gas and/or nuclear energy are only aligned with the EU Taxonomy if they contribute to mitigating climate change (“climate protection”) and do no significant harm to any of the objectives of the EU Taxonomy – see explanation in the left-hand margin. The full criteria for economic activities in the field of fossil gas and nuclear energy which are aligned with the EU Taxonomy are defined in Commission Delegated Regulation (EU) 2022/1214

In fossil gas       In nuclear energy

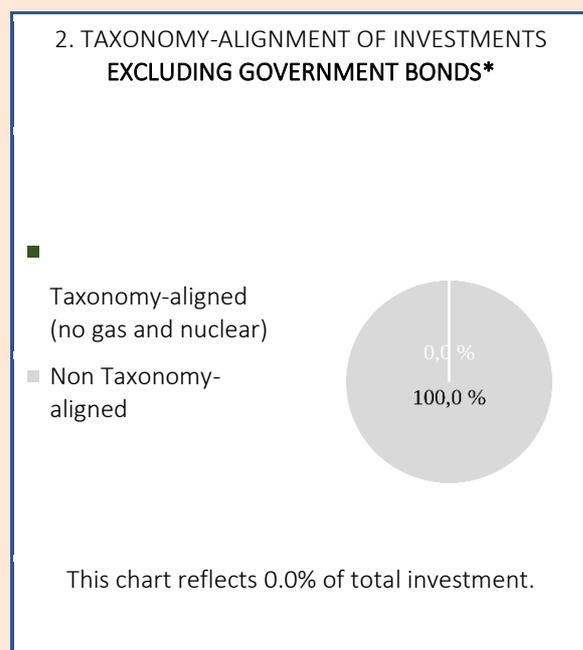
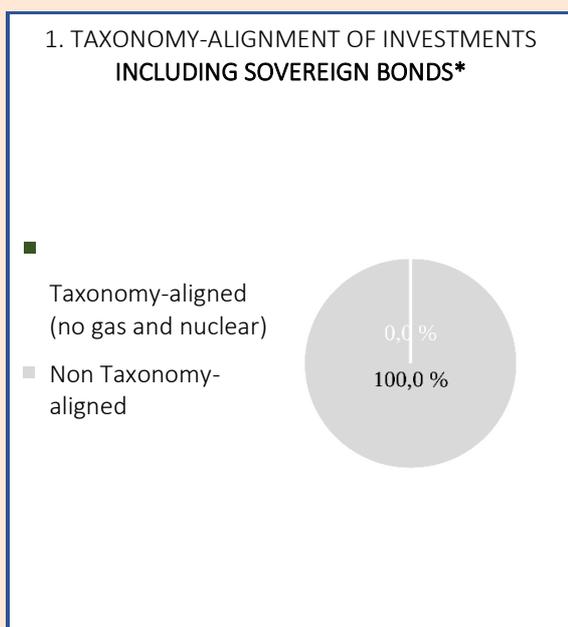
No

The fund manager analyses the portfolio positions according to ESG criteria. Investments in nuclear energy and fossil gases are not excluded for the fund. A minimum proportion of Taxonomy-aligned activities connected with nuclear energy and/or fossil gases is not intended for the fund.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, “sovereign bonds” consist of all sovereign exposures.

**WHAT IS THE MINIMUM SHARE OF INVESTMENTS IN TRANSITIONAL AND ENABLING ACTIVITIES?**

The minimum percentage is not yet known.

**WHAT IS THE MINIMUM SHARE OF SUSTAINABLE INVESTMENTS WITH AN ENVIRONMENTAL OBJECTIVE THAT ARE NOT ALIGNED WITH THE EU TAXONOMY?**

There is no minimum share.

**WHAT IS THE MINIMUM SHARE OF SOCIALLY SUSTAINABLE INVESTMENTS?**

There is no minimum percentage of sustainable investments with a social objective, but the fund may have investments with a social objective.

**WHICH INVESTMENTS ARE INCLUDED UNDER “#2 OTHER”, WHAT IS THEIR PURPOSE AND ARE THERE ANY MINIMUM ENVIRONMENTAL OR SOCIAL SAFEGUARDS?**

The investments included in “#2 Other” are cash and other auxiliary investments as well as derivatives, securities, target funds and money market instruments for which no ESG data and ESG ratings exist. All assets acquired for the fund are subject to the minimum exclusions applicable to the fund; therefore, minimum environmental or social safeguards exist. At instrument investment level, however, only the conditions specified for this investment instrument apply (no screening).

Are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



IS A SPECIFIC INDEX DESIGNATED AS A REFERENCE BENCHMARK TO DETERMINE WHETHER THIS FINANCIAL PRODUCT IS ALIGNED WITH THE ENVIRONMENTAL AND/OR SOCIAL CHARACTERISTICS THAT IT PROMOTES?

The fund has not been designated a specific index to use as a reference benchmark to determine whether the fund is aligned with the environmental and/or social characteristics it promotes.

HOW IS THE REFERENCE BENCHMARK CONTINUOUSLY ALIGNED WITH EACH OF THE ENVIRONMENTAL OR SOCIAL CHARACTERISTICS PROMOTED BY THE FINANCIAL PRODUCT?

No reference benchmark has been designated.

HOW IS THE ALIGNMENT OF THE INVESTMENT STRATEGY WITH THE METHODOLOGY OF THE INDEX ENSURED ON A CONTINUOUS BASIS?

No reference benchmark has been designated.

HOW DOES THE DESIGNATED INDEX DIFFER FROM A RELEVANT BROAD MARKET INDEX?

No reference benchmark has been designated.

WHERE CAN THE METHODOLOGY USED FOR THE CALCULATION OF THE DESIGNATED INDEX BE FOUND?

No reference benchmark has been designated.



WHERE CAN I FIND MORE PRODUCT SPECIFIC INFORMATION ONLINE?

Further product-specific information is available at: [am.oddo-bhf.com](http://am.oddo-bhf.com)

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

# Important information for investors in France

Facility in accordance with Article 92 of the EU Directive 2009/65/EC:

ODDO BHF SCA

12, Boulevard de la Madeleine

75440 Paris Cedex 09

E-Mail: [service\\_ordre\\_opcvm@oddo-bhf.com](mailto:service_ordre_opcvm@oddo-bhf.com)

ODDO BHF SCA performs the following tasks:

- provide investors with information on how orders can be made and how repurchase and redemption proceeds are paid
- process subscription, repurchase and redemption orders and make other payments to unitholders relating to the units of the UCITS
- facilitate the handling of information and access to procedures and arrangements relating to the investors' exercise of their rights arising from their investment in the UCITS
- make information and documents required pursuant to Chapter IX of Directive 2009/65/EC available to investors
- provide investors with information relevant to the tasks that the facility performs in a durable medium

Information and documentation with regard to the above-mentioned tasks can also be obtained from the Management Company ODDO BHF Asset Management GmbH, Herzogstrasse 15, 40217 Düsseldorf, Germany, or via E-Mail: [kundenservice@oddo-bhf.com](mailto:kundenservice@oddo-bhf.com).

The Management Company also acts as a contact point for communicating with the competent authorities.

# Important information for investors in Italy

Please read carefully the information below.

The following Funds of the Management Company ODDO BHF Asset Management GmbH, Herzogstrasse 15, 40217 Düsseldorf, Germany are also available for distribution in Italy:

Fondsname	ISIN
ODDO BHF Algo Global CRW-EUR	DE0009772988
ODDO BHF Algo Global DRW-EUR	DE000A141W00
ODDO BHF Algo Global CNW-EUR	DE000A141WT6
ODDO BHF Algo Global CIW-EUR	DE000A1XDYM7
ODDO BHF Algo Sustainable Leaders CRW-EUR	DE0007045437
ODDO BHF Algo Sustainable Leaders DIW-EUR	DE000A0RG5Y7
ODDO BHF Algo Sustainable Leaders CNW-EUR	DE000A2P5QE2
ODDO BHF Algo Sustainable Leaders CPW-EUR	DE000A2P5QF9
ODDO BHF Algo Sustainable Leaders DRW-EUR	DE000A2P5QK9
ODDO BHF Algo Sustainable Leaders CIW-EUR	DE000A2QBG05
ODDO BHF Algo Sustainable Leaders Ad missionem	DE000A2ATAL1
ODDO BHF Polaris Moderate CR-EUR	DE000A2JJ1W5
ODDO BHF Polaris Moderate DRW-EUR	DE000A0D95Q0
ODDO BHF Polaris Moderate CN-EUR	DE000A2JJ1V7
ODDO BHF Polaris Moderate CI-EUR	DE000A2JJ1S3
ODDO BHF Polaris Moderate GC-EUR	DE000A2JJ1T1
ODDO BHF Polaris Moderate CNW-EUR	DE000A1XDYL9
ODDO BHF Polaris Moderate DI-EUR	DE000A2P5QA0
ODDO BHF Polaris Moderate DIW-EUR	DE000A2P5QB8
ODDO BHF Polaris Moderate CIW-EUR	DE000A2P5QC6
ODDO BHF Polaris Moderate CN-CHF	DE000A2P5QD4

## PRIME TRANSFER AGENT

CACEIS Bank, Luxembourg Branch, 5, allée Scheffer, 2520 Luxembourg, will act as Prime Transfer Agent for subscription and redemption orders of units of the above Funds placed by local Italian distributors for Italian investors. The cut-off time for placing orders with CACEIS Bank, Luxembourg Branch, will be 13:00 CET.

**ODDO BHF ASSET MANAGEMENT GMBH**

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