

# Key information document (KID)



## Purpose

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

Product name: **OTP start open investment fund with public offering**

PRIIP issuer: OTP invest fund management company d.o.o.

ISIN: HROTPIUNVCF2

Website: [www.otpinvest.hr](http://www.otpinvest.hr)

OTP invest fund management company d.o.o. is part of OTP Group. This product is approved in the Republic of Croatia. This product is managed by OTP invest fund management company d.o.o. Call **+385 (72) 201 092** for additional information, or send an email to [info@otpinvest.hr](mailto:info@otpinvest.hr).

The Croatian Financial Services Supervision Agency (HANFA) is responsible for the supervision of OTP invest fund management company d.o.o. in respect of this key information document.

Date of creation: 16.02.2024.

**You are about to buy a product that is not simple and may be difficult to understand.**

## What kind of product is this?

- **Type:** The product is an entity for joint investments in transferable securities (**UCITS fund**) according to the Act on Open Investment Funds with Public Offering (Official Gazette, No. 44/16, 126/19, 110/21 and 76/22). The fund is a separate asset without legal personality, it is divided into equal shares consisting of securities and is co-owned by the shareholders.
- **Term:** The fund was established for an indefinite period. The Management Company may transfer the management of the Fund or merge the Fund with another fund under management, in accordance with the applicable legal provisions (see Prospectus). If the Fund's assets fall below a certain threshold, the Management Company can also liquidate the Fund.
- **Objectives:** The investment objective of the Fund is to achieve an increase in the value of the shares in the medium term higher than the short-term rates on the money market with high liquidity and low asset volatility, by investing predominantly in bonds, and then in deposits and money market instruments of issuers from the Republic of Croatia and others member of the European Union (EU). The fund will invest without restrictions in bonds issued by issuers from the Republic of Croatia and other EU members, adhering to the limits of the modified asset duration. The modified duration of the Fund's assets is limited in the range from 0 to 3 years. The fund will invest a maximum of 30% of the net asset value in corporate and municipal bonds. The fund will invest up to 75% of the net asset value in money market instruments of issuers from the Republic of Croatia and other EU member states. The fund will invest up to 75% of the net asset value in deposits with credit institutions (commercial banks) based in the Republic of Croatia and in other EU member states. The fund can invest up to 10% of the net asset value in shares of investment funds (UCITS funds) and shares or shares of closed alternative investment funds that have been authorized to operate in the Republic of Croatia or another EU member state, that predominantly invest their assets in debt securities and money market instruments. The Fund can invest in forward and option contracts for the purpose of protecting the Fund's assets and for the purpose of achieving investment goals. The Fund can generate additional effect on the value of the share price by using financial leverage. The Fund will use effective portfolio management techniques (repo and reverse repo contracts) in order to reduce risk, reduce costs or generate additional income, which may result in financial leverage. However, the result of the Fund will primarily be determined by the movement of the securities in which the Fund invests. The price of the Fund's shares is denominated in euro. The Fund's currency exposure in relation to its base currency may not exceed 20% at any time. Secondary exposure to the stock market is not allowed. Interest income is reinvested. The investor can sell all or a certain number of shares at any time. The fund enables a discretionary choice regarding the investments that need to be realized. Such an approach does not involve reference to a specific benchmark. The fund strives to achieve its investment goal by actively managing assets, without comparing it to a reference value (benchmark).
- **Targeted small investor:** The fund is primarily intended for investors whose investment horizon is at least 6 months and who want exposure to bond and money markets; they have a conservative investment strategy and are ready to take a lower risk and achieve a slightly higher return than the one on the money market in accordance with the stated investment goal; they want high liquidity in terms of the ability to monetize funds.
- **Depository of the Fund:** OTP banka d.d
- The Fund's prospectus and rules and additional information about the Fund are available at the Company's headquarters and, together with the Fund's financial reports, are also published on the Company's website ([www.otpinvest.hr/dokumenti-i-izvjesca/10](http://www.otpinvest.hr/dokumenti-i-izvjesca/10)). The company will provide investors, at their request and free of charge, with the requested documentation of the Fund in Croatian.
- Other practical information as well as the daily prices of the Fund's shares can be found on the Company's website ([www.otpinvest.hr](http://www.otpinvest.hr)).

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





The assumption of the risk indicator is that **you will keep the product for 6 months**. The actual risk may vary significantly if you cash out the product early, and the amount you get back may be lower. The aggregate risk indicator serves as a guideline for the level of risk of this product compared to other products. It shows how likely you are to lose money on the product due to market movements or because we can't pay you. We have classified this product as **1 out of a possible 7**, which indicates the lowest risk category.

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It is hereby assessed that possible losses from future activity will be at a low level, and poor market conditions will very likely not affect our ability to pay you. It is not guaranteed that the Fund's risk and performance will remain unchanged. The risk indicator is based on historical data and does not guarantee that the Fund's categorization cannot change over time.

Warning to investors whose domicile currency is not the Fund's currency: Be aware of the currency risk. **You will be paid in EUR**, so the final return you will make depends on the exchange rate between the two currencies. The above indicator does not take this risk into account. You do not have to make any payments to cover losses (you are not obligated to make additional payments). This product does not include any protection against future market movements, so you could lose some or all of your investment.

### Success scenarios

The figures shown include all the costs of the product itself, but may not include all the costs you pay to your consultant or distributor. The figures do not take into account your personal tax situation, which may affect the refund amount.

The amount you will get from this product depends on the future market movements. Future market developments are uncertain and cannot be accurately predicted.

The unfavorable, moderate and favorable scenarios shown are examples of the worst, average and best performance of the product in the last 10 years. Future market movements could differ significantly from this.

The stress scenario shows the amount of return you could get in extreme market conditions.

<b>Recommended holding period:</b>	6 months	
<b>Investment example :</b>	10 000 EUR	
		<b>In case of exit after 6 months</b>
<b>Scenarios</b>		
<b>Minimal</b>	<b>No minimum yield is guaranteed. You could lose some or all of your investment.</b>	
	<b>The amount you could get after deducting expenses</b>	9.930 EUR
<b>Under stress</b>	Average annual yield	-0,70 %
	<b>The amount you could get after deducting expenses</b>	9.978 EUR
<b>Unfavorable 1</b>	Average annual yield	-0,22 %
	<b>The amount you could get after deducting expenses</b>	10.006 EUR
<b>Moderate 2</b>	Average annual yield	0,06 %
	<b>The amount you could get after deducting expenses</b>	10.059 EUR
<b>Favorable 3</b>	Average annual yield	0,59 %

<sup>1</sup> This type of scenario was created in the case of investments in the period 11.2021.-05.2022.

<sup>2</sup> This type of scenario was created in the case of investments in the period 04.2019.-10.2019.

<sup>3</sup> This type of scenario was created in the case of investments in the period 09.2014.-03.2015.

### What happens if OTP invest is unable to make a payment?

The assets of the Fund are separated from the assets of the Company, and in accordance with Article 119, paragraph (4) of the Act on Open Investment Funds with Public Offering (Official Gazette No. 44/16, 126/19, 110/21 and 76/2022), the Company will pay the amount of share redemption in the Fund to the investor within five working days. There is no risk of the Company defaulting on its obligations. Unit holders are co-owners of the Fund's assets. Losses incurred by investing in the Fund are not covered by any investor compensation or guarantee program.

### What are the costs?

The person who advises you about this product or sells it may charge you other costs. In this case, this person will provide you with information about these costs and how they will affect your investment.

## Costs over time

The tables show the amounts charged from your investment to meet various types of expenses. These amounts depend on the amount of your investment, the holding period of the product and the performance of the product. The amounts shown here are only examples made based on a sample investment amount and possible investment periods.

We assumed the following:

- in the first year, your return would be equal to the amount of your investment (annual return of 0%). For other holding periods, we applied the product performance assumption shown in the moderate scenario;
- The investment is EUR 10.000

In case of exit after 6 months	
<b>Total Costs</b>	72 EUR
<b>Annual cost performance (*)</b>	0,7 %

(\*) This shows how costs reduce your yield. For example, if you exit at the end of the recommended holding period, the projected average return is 0.78% before expenses and 0.06% after expenses. In this example, the recommended holding period is less than a year, so the cost effect is not directly comparable to that stated for other products.

## Cost breakdown

One-time costs upon entry or exit		In case of exit after one year
<b>Entry fees</b>	No entry fees	(Up to) 0 EUR
<b>Exit fees</b>	No exit fees	0 EUR
<b>Kontinuirani troškovi nastali svake godine</b>		
<b>Management fees and other administrative or business expenses</b>	1.18% of the value of your investment per year. This includes a management fee of 1.00% per year, a depository fee of 0.09% per year and other Fund operating costs. This is an estimate based on actual costs in the previous year.	118 EUR
<b>Transaction costs</b>	0.25% of the value of your investment per year. It is an estimate of the costs incurred when we buy and sell the underlying investment for the product. The actual amount will depend on the amount of buying and selling.	25 EUR
<b>Occasional expenses incurred in special circumstances</b>		
<b>Performance Fees and Profit Shares</b>	There is no performance fee for this product.	0 EUR

## How long should I hold it and can I withdraw money early?

Recommended holding period: 6 months

The recommended holding period is chosen so that the probability of nominal losses during this investment horizon is low for the investor. However, losses cannot be ruled out. The company does not guarantee the fulfillment of the investment goal. Each holder of shares in the Fund can at any time cash out all or a certain number of shares by selling them to the Fund, provided that he is authorized to freely dispose of them, while retaining the right to suspend the purchase, by the Company, in case of extraordinary circumstances which would be published on Company official website.

## How can I complain?

Investors can send complaints about the actions of the Fund, the Company or the Company's employees when performing Fund management activities by registered mail to the Company's address (**OTP Invest fund management company, Divka Budaka 1d, 10000 Zagreb, Croatia**), hand them in person at the Company's headquarters (Divka Budaka 1d, 10000 Zagreb, Croatia) or deliver them via electronic mail ( email : [reklamacije@otpinvest.hr](mailto:reklamacije@otpinvest.hr) ).

The Company handles complaints in accordance with the provisions of the internal Procedure for Handling Client Complaints and Complaints published on the Company's website

## Other relevant information?

Information on historical returns in the period from the Fund's founding date to today is available on the Company's website: <https://www.otpinvest.hr/dokumenti-i-izvjesca/10>

- Details of the Receipts Policy, including a description of how receipts are calculated, and the identity of the persons responsible for awarding receipts, are available on the Company's website
- Before investing, every Investor is obliged to familiarize himself with the **Key information document (KID) for investors as well as the Prospectus and the Rules of the fund**. The information provided here is provided for informational purposes and cannot be considered as an invitation to invest.