

# Key Information Document

## Purpose

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

## Product

### Stefnir - Liquidity Fund

ISIN: IS0000021483

Manufacturer is Stefnir hf. ID-No. 700996-2479

www.stefnir.is

Telephone: +354 444 7400

Date of production is March 31, 2023

Stefnir hf. is an independent financial company according to Act No. 161/2002 on Financial Undertakings. The company operates on the basis of an operating license from the Financial Supervisory Authority of the Central Bank of Iceland as a manager of UCITS pursuant to Act No. 116/2021 on Undertakings for Collective Investment in Transferable Securities (UCITS) and as an alternative investment fund manager pursuant to Act No. 45/2020 on Alternative Investment Fund Managers. The company's operating license also applies to asset management, investment advice, and the custody and management of unit shares or shares in funds for collective investment. Stefnir is a subsidiary of Arion banki hf.

## What is this product?

### Type

The fund is an alternative investment fund marketed towards the public pursuant to the Alternative Investment fund Managers Act No. 45/2020. Alternative investment funds marketed towards the public have broader investment authorizations than UCITS. The fund's investment authorizations are specified in the section on investment strategy in its prospectus. The fund's ID-No. is 520412-9640.

### Objectives

Stefnir – Liquidity fund will invest in deposits, bills, bonds and other short financial instruments. The fund's asset portfolio will not have an average duration of more than 180 days. Individual investments will not have longer maturities than 397 days when the investment is made. There are no restrictions on the duration of financial instruments issued or guaranteed by the Icelandic government or covered bonds issued by financial institutions.

### Intended retail investor

The fund is suitable for both individuals and companies who want to make short-term investments. The fund is designed for both the general public and institutional investors, such as pension funds and companies, who wish to choose an investment option involving funds for collective investments operated and managed by professionals and in accordance with current legislation and supervision of such funds.

### Term

The fund is an open-ended fund and has no maturity date. However, the manufacturer may decide to close the fund under certain circumstances. More information can be found in the fund's prospectus.

### Other information

Depositary: Arion banki hf.

Distributor: Arion banki hf.

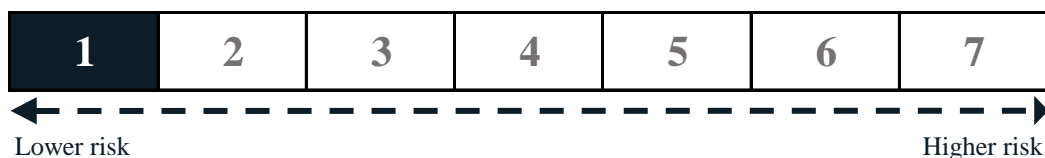
Currency: ISK

The fund was established on April 3, 2012.

The fund is a capital growth fund. Dividends and other earnings from the fund's securities holdings are reinvested.

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

### Risk indicator



**The risk indicator assumes you keep the product for 1 month. The actual risk can vary significantly if you cash in at an early stage and you may get back less.**

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 1 out of 7, which is the lowest risk class.

This rates the potential losses from future performance at a very low level, and poor market conditions are very unlikely to impact our capacity to pay

Risk factors that affect the product, but which the risk indicator does not consider, include counterparty risk, operational risk and liquidity risk. Other risk factors might exist. This product does not include any protection from future market performance so you could lose all of your investment.

### Performance scenarios

**Investment: 1,000,000 kr.**

**Scenarios**

**1 month**

(Recommended holding period)

<b>Stress scenario</b>	<b>What you might get back after costs</b>	999,338 kr
	Average return each year	-1.0%
<b>Unfavourable scenario</b>	<b>What you might get back after costs</b>	1,001,861 kr
	Average return each year	2.0%
<b>Moderate scenario</b>	<b>What you might get back after costs</b>	1,002,354 kr
	Average return each year	3.0%
<b>Favourable scenario</b>	<b>What you might get back after costs</b>	1,002,915 kr
	Average return each year	4.0%

This table shows the money you could get back over the next 1 month, under different scenarios, assuming that you invest kr. 1,000,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product.

The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

### What happens if Stefmir hf. is unable to pay out?

If Stefmir hf. becomes insolvent, there exists the possibility of incurring financial losses. Investors who have placed their funds with Stefmir do not generally possess any legal entitlements to insurance protection, as per the provisions set forth by the law on deposit insurance and insurance schemes for investors. The custodian of the fund (Arion banki hf.) keeps the assets of the fund separate from the assets of Stefmir hf. In the event of adverse outcome, there is a risk of losing the entire investment. Stefmir encourages all its customers to acquaint themselves with the company's general disclaimer.

## What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest kr. 1,000,000. The figures are estimates and may change in the future.

### Costs over time

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

**Investment: 1,000,000 kr.**

**Scenarios**

**If you cash in after  
1 month**

**Total costs**

331 kr

**Impact on return (RIY) per year**

0.40%

### Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

This table shows the impact on return per year			
One-off costs	Entry costs	0.00%	We do not collect entry costs for this product.
	Exit costs	0.00%	We do not collect exit costs for this product.
Ongoing costs	Portfolio transaction costs	0.01%	The impact of our costs of buying and selling the underlying investments for the product.
	Other ongoing costs	0.39%	The impact of the costs that we take each year for managing your investments. This is based on the actual figures of the last operating year.
Incidental costs	Performance fees	0.00%	We do not collect performance fees for this product.
	Carried interests	0.00%	We do not collect carried interests for this product.

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

### Recommended holding period: 1 month

You should expect to hold your investment for 1 month. Unit certificates can be redeemed at the owner's request at no cost, but the fund's distributor may charge a handling fee. Units can be purchased and redeemed on any business day. Orders received before the cut off time at 14:30 are processed after one business day. Orders received after the cut off time are processed after two business days. In exceptional cases, redemptions may be delayed.

### How can I complain?

To file a complaint with Stefmir, it is possible to do so in writing by sending an email to kvortun@stefmir.is. The complaint should clearly state the reasons for dissatisfaction, with particular emphasis on the primary cause. In addition, complainants may choose to submit a complaint via telephone at +354 444 7400 or by postal mail. Further details on the procedures and protocols for handling complaints can be found on Stefmir's official website.

### Other relevant information

The prospectus of the fund, along with the most recent version of the Key Information Document and details on returns, can be accessed on the website [www.stefmir.is](http://www.stefmir.is).