



# Royal London Asset Management

## Liquidity solutions fund range

	<b>Royal London Sterling Liquidity Money Market Fund</b>	<b>Royal London Short Term Money Market Fund</b>	<b>Royal London Short Term Fixed Income Fund</b>	<b>Royal London Short Term Fixed Income Enhanced Fund</b>
Objective	To provide a return in line with money market rates or preserve the value of the investment	To preserve capital and provide an income by outperforming SONIA over rolling 12-month periods	To achieve a total return by outperforming SONIA over rolling 12-month periods	To achieve a total return by outperforming SONIA over rolling 12-month periods
Key instruments	High quality sterling denominated securities and money market instruments	Money market instruments* and short-dated covered bonds and government bonds	Money market instruments*, covered bonds, corporate and government bonds, supranational and agency bonds and/or transferable securities	Money market instruments†, government bonds, corporate bonds, supranational & agency bonds and/or transferable securities
Benchmark	SONIA	SONIA	SONIA	SONIA
Performance target	SONIA	SONIA	SONIA +0.5%	SONIA +1.0%
Minimum investment restrictions	In accordance with the concentration limits and other restrictions imposed under the MMF and the UCITS Regulations	A-1, P-1 or F1 or long term equivalent	A-1, P-1 or F1. Bonds must have a minimum rating of AA-, Aa3 or AA-.	A-1, P-1 or F1. Bonds must have a minimum rating of BBB-, Baa3 or BBB-
Fitch rating	AAAmmf*	AAAmmf*	AAA/S1	AA/S2
Investment horizon	Daily	0-6 months	6-12 months	12 months plus
Minimum initial investment	£5million	£1million	£1million	£1million
Maximum WAM	60 days	60 days	n/a	n/a
Settlement	T+0	T+2	T+2	T+2
Dealing cut off	1.00pm Irish time	12 noon UK time	12 noon UK time	12 noon UK time
Share classes available	Income	Income/Accumulation	Income/Accumulation	Income/Accumulation
Fund structure	Low volatility net asset value UCITS money market fund	Short term VNAV UK UCITS money market fund	UCITS open ended investment company (NB not money market fund)	UCITS open ended investment company (NB not money market fund)
Domicile	Ireland	United Kingdom	United Kingdom	United Kingdom
SFDR classification	Article 8 fund	N/A	N/A	N/A

\* Cash, time deposits, certificates of deposit, commercial paper and floating rate notes.

† Cash, time deposits, certificates of deposit, commercial paper, floating rate notes, short term corporate bonds, covered bonds and asset backed securities.

\* Rated by Fitch. The Fund is rated by an external rating agency. Such rating is solicited and financed by Royal London Asset Management.

## Key features

- **Focus on high quality** – the funds invest in high quality, sterling denominated instruments; the majority of the portfolios are made up of AAA/AA/A+ rated assets.
- **Broad diversification** – the funds invest across a broad range of issuers and asset types. This diversification mitigates counterparty and credit risk.
- **Low interest rate sensitivity** – we actively manage the interest rate sensitivity in line with our views on markets. The funds generally maintain a duration of less than one year.
- **Liquidity** – the funds are highly liquid, giving investors swift access to cash when needed.
- **Income provision** – we seek to provide an income at least in line with money market rates, with this income target increasing with the risk levels inherent in each fund.
- **Protection from bail-in provisions** – in 2015 the EU Bank Recovery and Resolution Directive (BRRD) authorised the ‘bail-in’ of struggling banks. Our funds maintain significant allocations to investments which are exempt from ‘bail-in’, such as covered bonds.
- **ESG integration** – we consider ESG factors within portfolio construction; issuer exposures are tilted based on ESG scoring and we exclude firms that generate over 10% of their revenue from either armaments, tobacco or fossil fuel extraction. On an ongoing basis we engage with companies to advance good governance and responsible corporate behaviour.

## Risk warnings

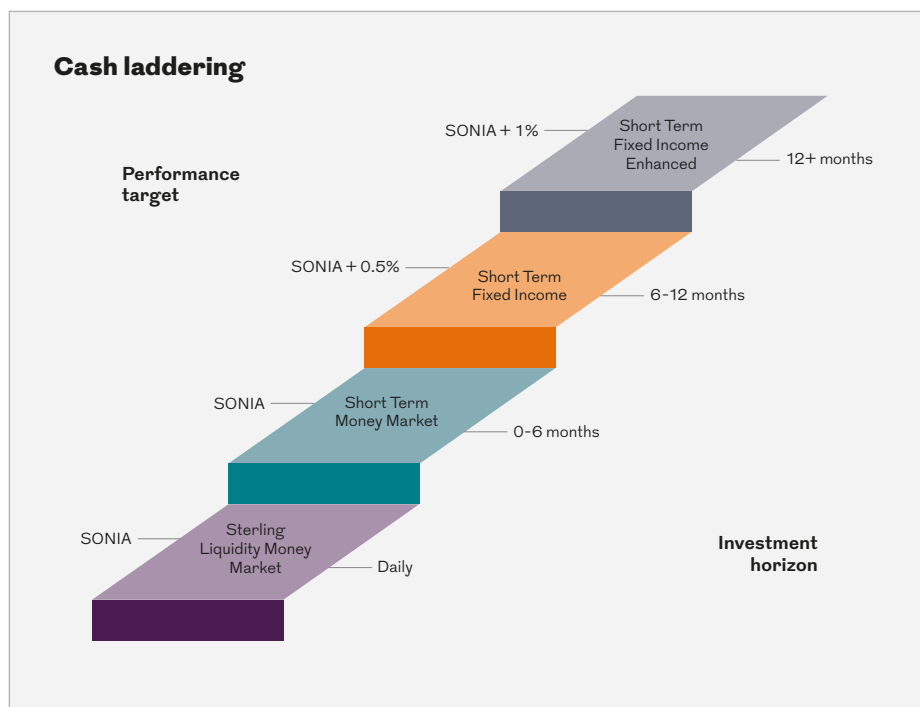
**Investment Risk:** The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

**Credit Risk:** Should the issuer of a fixed income security become unable to make income or capital payments, or their rating is downgraded, the value of that investment will fall. Fixed income securities that have a lower credit rating can pay a higher level of income and have an increased risk of default.

**Interest Rate Risk:** Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates go up, the value of capital may fall, and vice versa. Inflation will also decrease the real value of capital.

**EPM Techniques:** The fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the fund to increased price volatility.

**Counterparty Risk:** The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the fund to financial loss.



Source: Royal London Asset Management, for illustrative purposes only. This is not an investment recommendation.

**Stable NAV Risk:** The fund is not the same as a bank deposit account. It is designed such that it will seek, for the Distribution Classes, to maintain the Net Asset Value per Share at a fixed value by distributing income from the fund as it arises. However, whilst the fund's investments are reasonably believed by the Investment Manager to be of high quality, there is always a risk that an underlying issuer could default or otherwise fall in value, resulting in the fund being unable to maintain the Net Asset Value per Share at a fixed value and therefore a loss of capital will occur. The risk of loss is to be borne by the investor. There is no representation or warranty that the fund will be able to maintain a stable Net Asset Value per Share.

**Inflation risk:** Where the income yield is lower than the rate of inflation, the real value of your investment will reduce over time.

**Money Market Fund Risks:** A Money Market Fund is not a guaranteed investment, and is different from an investment in deposits. The principal invested in the fund is capable of fluctuation and the risk of loss of the principal is to be borne by the investor. The fund does not rely on external support for guaranteeing the liquidity of the fund or stabilising the NAV per share.

**Royal London Sterling Liquidity Money Market Fund** has been authorised as a Low Volatility Net Asset Value (LVNAF) MMF and is a short-term money market fund in accordance with MMF Regulation which seeks to maintain a stable NAV under the condition that the stable NAV does not deviate from the Net Asset Value per share by more than 20 basis points. In case of a deviation of more than 20 basis points between the stable NAV and the Net Asset Value per share, the

following redemption or issue of Shares will be undertaken at a price that is equal to the Net Asset Value per Share.

**Royal London Short Term Money Market Fund** has been authorised as a Variable Net Asset Value (VNAV) MMF and is a short-term money market fund in accordance with MMF Regulation. The NAV is calculated using mark to market prices where possible otherwise mark to model prices are used. The redemption or issue of Shares will be undertaken at a price that is equal to the Net Asset Value per Share.

Following the implementation of the Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on Money Market Funds ("MMFs"), the fund is subject to the following risks:

**No guarantee:** The funds are not a guaranteed investment.

**Principal fluctuation:** An investment in the funds are different from an investment in deposits. The principal invested in the fund is capable of fluctuation in value.

**No external support:** The funds do not rely on external support for guaranteeing the liquidity of the fund or stabilising the NAV per unit or share. Risk of loss Any risk of loss of the principal is to be borne by the investor.

**Government and Public Securities Risk:** The fund can invest more than 35% of net assets in different Transferable Securities and Money Market Instruments issued or guaranteed by any EEA State, its local authorities, a third country or public international bodies of which one or more EEA States are members.

## Contact us

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### For institutional client queries

[institutional@rlam.co.uk](mailto:institutional@rlam.co.uk)

020 7506 6500

### For advisers

#### and wealth managers

[bdsupport@rlam.co.uk](mailto:bdsupport@rlam.co.uk)

020 3272 5950

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The RL Short Term Money Market Fund, the RL Short Term Fixed Income Fund and the RL Short Term Fixed Income Enhanced Fund are sub-funds of Royal London Bond Funds ICVC, an open-ended investment company with variable capital with segregated liability between sub-funds, incorporated in England and Wales under registered number IC000797. The Company is a UCITS umbrella fund. The Authorised Corporate Director (ACD) is Royal London Unit Trust Managers Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144037. For more information on the fund or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com)

The RL Sterling Liquidity Money Market Fund is a sub-fund of Royal London Asset Management Bond Funds plc, an open-ended investment company with variable capital (ICVC), with segregated liability between sub-funds. Incorporated with limited liability under the laws of Ireland and authorised by the Central Bank of Ireland as a UCITS Fund. It is a recognised scheme under section 264 of the Financial Services and Markets Act 2000. The Management Company is FundRock Management Company SA, Registered office: 33 rue de Gasperich, L – 5826 Hesperange, Luxembourg and is authorised and regulated by the Commission de Surveillance du Secteur Financier (CSSF).

The Investment Manager is Royal London Asset Management Limited. For more information on the trust or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on [www.rlam.com](http://www.rlam.com). Most of the protections provided by the UK regulatory system, and the compensation under the Financial Services Compensation Scheme, will not be available.

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